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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: special economic assistance to individual countries or regions

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Assistance to Mozambique

Report of the Secretary-General***

Summary

The present report has been prepared pursuant to General Assembly resolution 55/167 of 14 December 2000, in which the Assembly requested the Secretary-General to report to it on the strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance, in support of the efforts of the Government of Mozambique. The present report describes follow-up initiatives undertaken in response to the drought, preparation for and response to the 2002 and 2003 drought, the spread of the HIV pandemic and other United Nations assistance initiatives in support of the Government of Mozambique.

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I. Background

A. Profile of Mozambique

1. Mozambique is the sixth poorest country in the world, ranking 170 out of the 175 countries listed in the *Human Development Report*,[1] with 69.4 per cent of its population living below the poverty line, estimated at $0.40 United States dollars per day.

2. Adding to the vulnerability of the country, Mozambique is prone to a wide range of natural disasters that regularly cause major damage and set back economic growth. Cyclones and flooding have demonstrated a relatively well defined pattern with regard to their timing and geographic location, mostly occurring between the months of October and April. The main areas of incidence are along the coastline of Mozambique, although inland areas have also been severely affected. Systematic meteorological records show that flooding also usually occurs during the period of October to April. Flooding has mainly affected the river valleys, low lying areas and places where drainage systems have either failed or do not exist.

3. Although some of the risks are seasonal, any sudden disaster or emergency, however small, has the potential for great impact. Any disaster takes place against a backdrop of increased vulnerability, owing to the devastating floods of 2000 and 2001, two consecutive years of drought and the high prevalence of HIV/AIDS.

4. HIV/AIDS continues to be closely connected with food insecurity. The overwhelming majority of people infected with HIV/AIDS are between the ages of 15 and 49, the most productive years. The number of children orphaned by HIV/AIDS is on the rise, as is the number of households headed by the chronically ill.

5. The compounding effects of HIV/AIDS and repeated natural disasters, including the current drought, have significantly increased the vulnerability of an already impoverished population. HIV/AIDS constitutes a threat to sustainable agriculture and rural development. The epidemic is undoing decades of economic and social development and causing rural disintegration. The Food and Agriculture Organization of the United Nations (FAO) has estimated that by 2020, 20 per cent of the agricultural labour force will be lost to HIV/AIDS. Without an aggressive response, life expectancy is projected to drop from 50.3 to 36 years by 2010.

B. National Institute for Disaster Management

6. The Government of Mozambique is responsible for disaster prevention, mitigation, preparedness, response and recovery and is the ultimate coordinator of all actions for the emergency response. The Government's contingency plan for natural disasters is the basis for the emergency preparedness system.

7. The National Disaster Management Institute, which is responsible for contingency planning and coordination of emergency response at the technical level, operates from its headquarters in Maputo, coordinating the provincial delegations. During the preparation of the contingency plan, the National Institute convenes technical multi-partner meetings and regional workshops to assess and plan for potential disasters. The United Nations participates in the meetings to plan and

formulate policies and actions and to select issues to be resolved through United Nations assistance.

C. The institutional framework for a coordinated United Nations response: the United Nations Disaster Management Team and the United Nations Disaster Management Technical Working Group

8. Both the United Nations Management Team and the United Nations Disaster Management Technical Working Group are chaired by the representative of the World Food Programme (WFP) in Mozambique. The Disaster Management Team consists of heads of all agencies and is the decision-making body for the inter-agency emergency response. In the event of an emergency, the representative of WFP convenes the Team and emergency working groups are activated for planning appropriate response measures.

9. At the technical level, disaster management issues are handled within the framework of the Disaster Management Technical Working Group, which consists of the emergency focal point persons or coordinators from the United Nations agencies who meet to discuss emergency-related issues at a technical level and monitor the humanitarian situation in the country. The Working Group is responsible for updating the Inter-Agency Emergency Preparedness and Response Plan.

D. Disaster Management Partners Group

10. The Disaster Management Partners Group is the non-decision-making, information-sharing forum convened and co-chaired by the United Nations Resident Coordinator and the Minister for Foreign Affairs and Cooperation. The forum consists of the National Disaster Management Institute, government partners, United Nations heads of working groups and agency focal points, non-governmental organizations involved in disaster management, the International Committee of the Red Cross (ICRC) and donor partners with related responsibilities.

11. The Group is a useful means of information sharing for all partners (United Nations agencies, Governments, non-governmental organizations, ICRC and donors). In addition, it is the appropriate forum for distribution of emergency "products" (monitoring and assessment reports, forecasts, maps, inventories, working group information and contacts). The Group meets on an ad hoc basis, as needed.

II. Two consecutive years of drought following two consecutive years of floods

A. The 2002 drought

12. The 2002 drought-affected areas coincided with the ones severely affected by floods in 2000 and 2001. The worst affected areas were those that had experienced the cumulative effect of three, and some even four, consecutive crop losses as a result of the floods in the Limpopo Valley in 1999, in the southern and central regions in 2000 and 2001 and the drought in 2002.

13. In April/May 2002 the FAO/WFP crop and food supply assessment estimated the number of people in need of food aid to be 515,000 in 43 districts. On September 2002, the vulnerability assessment conducted by the Ministry of Agriculture and Rural Development, WFP and the Famine Early Warning Systems Network (FEWS-NET) estimated the number of people in need of food to be 587,000, a 13 per cent increase in the number of needy people identified by the FAO/WFP in their assessment.

14. When the impact of the drought became evident, the Government activated its contingency plan, releasing $500,000 to mitigate the immediate effects of the drought. The objective was to initiate interventions to mitigate the food insecurity, using a multisectoral approach in the fields of agriculture, health, nutrition, education, special protection and water and sanitation, including the specific impact of the HIV/AIDS pandemic in the food-insecure regions and of food insecurity on people living with HIV/AIDS. Some of the items under the contingency plan 2002 to address a floods scenario were reallocated towards a response to the drought.

15. As the drought-affected population in need of food aid in Mozambique only constituted 3 per cent of the population, the Government decided that the dimension of the crisis did not justify the declaration of disaster at that point. While not declaring a national disaster and formally launching a national emergency appeal, the Government joined the regional response strategy to the humanitarian crisis in Southern Africa. The United Nations Country Management Team highlighted a number of key objectives at the time of the launch of the regional appeal. These followed the Government's stated priority to implement interventions of a developmental nature aimed at reducing vulnerability.

16. To that end, an agriculture emergency rehabilitation programme was initiated in the drought-affected regions in Mozambique to enhance production and income generation capacity. Specific immediate programmes related to trade fairs, the dissemination of cassava and sweet potato cuttings, small-scale irrigation schemes and the rearing of small livestock were started.

17. Sites to monitor the weight for height of children under-five were established in the worst affected districts. The network of sites was extended to a total of 30 in the seven drought-affected provinces. Additional nutritional monitors were recruited to ensure effective follow-up. In the seven drought-affected provinces, nutrition efforts focused on strengthening support to therapeutic feeding centres for severely malnourished children.

18. In response to the immediate need for food assistance, WFP food distributions aimed to meet the needs of 440,000 people in 38 districts through food-for-work, and targeting vulnerable group feeding activities. By December 2002, the Government of Mozambique and 35 non-governmental organizations in partnership with WFP were supplying food to a total of 250,000 beneficiaries.

19. The United Nations Children's Fund (UNICEF) worked with the Ministry of Public Works to design an overall strategy to further mitigate the impact of the drought through the strategic establishment and/or rehabilitation of water points and latrines, especially in primary schools and health units of the most affected districts. Malaria prevention activities included the promotion and use of insecticide-treated nets and community-level participatory training on prevention techniques in 12 affected districts.

20. Interventions in the education sector focused on avoiding school absenteeism because of food insecurity. UNICEF supported the Government in monitoring the attendance of children and teachers in the drought-affected areas. Preventive measures were taken to avoid reduced enrolment for the new school year starting in January 2003, through the provision of school and learning materials as well as meals at school.

21. Activities within the UNICEF programme of cooperation to support the expanded programme on immunization (EPI), including epidemiological surveillance, the installation of cold chain equipment and training and micro-planning for outreach were amended to prioritize the affected areas.

22. At the end of 2002, it became evident that a complex mix of economic, environmental, health and socio-political factors was driving the humanitarian crisis in Southern Africa. Food insecurity and poverty were clearly fuelling the HIV epidemic, with hunger driving people to increasingly high-risk behaviour and, at the same time, lowering resistance to infection and contributing to the earlier onset of AIDS.

23. This dramatic situation led the international community to acknowledge the need for a different kind of approach to save people's lives and their livelihoods before communities and households were entirely destroyed. There was an apparent need for immediate action on several levels to address emergency needs related to the current crisis, while simultaneously initiating actions to address the long-term needs in the region, tackling both policy and operations issues.

24. The vulnerability assessment, carried out in November and December 2002, comprised two parallel surveys. The first collected information related to the food security situation (by the Ministry of Agriculture and Rural Development, the National Institute for Disaster Management, WFP, FAO, the US Agency for International Development-FEWS-NET, while the second examined the multisectoral aspects of the humanitarian situation (in consultation with the Ministries of Health, Public Works and Housing, Education, and Women Affairs and Coordination of Social Action, the National Disaster Management Institute and the National Statistics Institute, with technical and financial support from UNICEF).

B. The 2003 drought

25. In July 2003, the Vulnerability Assessment Committee published the results of the food security and nutrition assessment conducted during May and June 2003 among 5,162 households in 29 "hot spots" districts in the six provinces most affected by the drought and HIV seroprevalence (Maputo, Gaza, Inhambane, Sofala, Manica and Tete). Food insecurity analysis of the data collected identified 659,000 people who were extremely insecure and needing emergency food assistance through to the next harvest and an additional 256,000 people who, while their food security condition could not be considered extreme at the time of the assessment, were considered to be "at risk" during the lean season from October to March 2004. At that point, the affected population in need of food aid in Mozambique constituted 4 per cent of the population.

26. In terms of vulnerability analysis, further review conducted by UNICEF on the data provided by the Vulnerability Assessment Committee revealed that over

900,000 people in the affected areas were living in extremely vulnerable households (those headed by children or elderly; households with a chronically sick adult, or at least one orphan under 15 years, or with an acutely malnourished child or woman; and households in which a child had died in the preceding three months). The provinces with the highest numbers of extremely vulnerable households were Maputo, Gaza and Tete. The analysis of the data also highlighted the particular vulnerability of specific groups such as orphaned children or children made vulnerable by HIV/AIDS who were found to have less family care, less access to basic services, including health services, and a reduced breastfeeding period in the case of maternal orphans.

27. Following the second year of drought in 2003, the Government of Mozambique renewed its participation in the Regional Response Strategy to the Humanitarian Crisis in Southern Africa. The Inter-Agency Consolidated Appeal issued by the United Nations in July 2003 presented a response centred on the call for action from the United Nations Special Envoy for Humanitarian Needs in Southern Africa that addresses the emergency needs while simultaneously initiating immediate actions to address long-term needs in the region.

28. As a result, the stated objective of the Mozambique Country Team was to work towards the dual goal of: (a) alleviating the emergency needs resulting from the combined impact of food insecurity and HIV/AIDS and (b) reducing the chronic vulnerability and improving the resilience of communities facing food insecurity, HIV/AIDS and other shocks.

C. The United Nations response

29. Throughout 2003, the United Nations responded to the Government requests for assistance in the following sectors set out below.

1. Agriculture

30. Access to agricultural inputs was provided to the most vulnerable populations by FAO. By the end of 2003, 101 input trade fairs were taking place in the provinces of Maputo, Gaza, Inhambane, Manica, Tete and Sofala, benefiting 42,430 households.

31. As for livestock activities, 55,000 chickens were distributed in the provinces of Maputo, Gaza, Inhambane, Tete, Manica and Zambezia, benefiting 13,756 households. One million poultry were vaccinated against Newcastle Disease and a poultry-breeding unit was created at the Veterinary Faculty of Eduardo Mondlane University, using funds outside the framework of the Inter-Agency Consolidated Appeal. One hundred thousand cattle were vaccinated against Foot and Mouth Disease, Rift Valley Fever, Lumpy Skin Disease, Anthrax and Black Leg. Ten thousand dogs were vaccinated against rabies.

32. Twenty refrigerators and drugs were distributed to the Provincial Directorates of Agriculture, and the Veterinary Laboratory in Xai-Xai was rehabilitated. These activities have been completed, partly with funds from the 2003/2004 Inter-Agency Consolidated Appeal and partly with funds from previously funded emergency projects.

33. Agriculture-based food-for-work activities, in line with the Ministry of Agriculture's drought mitigation action plan, such as the dissemination of drought-resistant cassava and sweet potato cuttings, are now being implemented in nearly every drought-affected district. Once harvested, the cassava roots and stalks and sweet potatoes vines are replanted, thus multiplying the initial plant cuttings, to the benefit of thousands of people.

2. Capacity-building

34. In 2003, a senior adviser deployed by the United Nations Development Programme (UNDP) supported capacity-building efforts within the National Institute for Disaster Management, focusing on providing training to personnel of the Institute at the central and decentralized levels. Training was given in various areas ranging from sensitization, disaster management, information flow, leadership and general management.

3. Coordination

35. While national efforts form the backbone of the response, the experience of the past year has demonstrated the added value of having a United Nations Emergency Unit supporting disaster management mechanisms for a coordinated response. In 2003, the Office for the Coordination of Humanitarian Affairs funded the United Nations Emergency Unit, which, under the aegis of the Office of the Resident Coordinator, greatly contributed to the harmonization of efforts and the effective utilization of resources available within the United Nations system in support of national assistance activities. The Emergency Unit was instrumental in supporting strategic planning within the framework of the Consolidated Appeal Process and facilitating a contingency planning exercise within the Disaster Management Technical Working Group. In 2003, the Emergency Unit expanded the coverage of the "Who Does What Where" database, the objective of which is to provide access to baseline information on emergency assistance, recovery and development projects implemented across the country. The information is useful for the Government of Mozambique in coordinating the work of humanitarian and relief agencies, as well as for humanitarian agencies in identifying partner agencies working in complimentary geographic areas and sectors, and for donors in facilitating monitoring and identifying gaps in assistance. Coordination of interventions is of paramount importance to ensure the most effective and complimentary use of available resources.

4. Education and child protection

36. In 2003, selected schools monitored teacher and pupil attendance and dropout rates in the worst affected areas. School attendance and dropouts serve as an early warning system with regard to the humanitarian situation faced by the community — very often children are requested by their families to fill important support roles in the search for food and water owing to the inability of adults to carry out these functions.

37. Phase 1 of training in the prevention of sexual exploitation and abuse in the context of emergencies was completed, targeting 750 workers involved in the humanitarian response (United Nations agencies, NGOs, government employees).

38. Although no funding was received in the framework of the Inter-Agency Consolidated Appeals for Southern Africa to address the issue of protection of children orphaned or made vulnerable by HIV/AIDS, regular programme funds were used by UNICEF to support NGOs in five provinces to build the capacity of families and communities to take care of these children, primarily in areas affected by the humanitarian crisis. The first national seminar on children orphaned and made vulnerable by HIV/AIDS was also organized. In collaboration with numerous Governments, the United Nations and NGO partners, the seminar made it possible to advocate for the rights of these children. It was agreed that families and communities who take care of these children need to be much more actively and urgently supported by the Government and other organizations, and that a legal framework needs to be put in place to ensure that these children have access to all basic services.

5. Food supplies

39. An average of 500,000 people, that is, 75 per cent of the 659,000 people identified as extremely vulnerable in the vulnerability assessment, received emergency food assistance through WFP food-for-work, targeted vulnerable group feeding, supplementary feeding and school feeding activities. Food-for-work activities, aimed at mitigating the effects of the drought and reinforcing the livelihoods of the affected populations, made up more than 80 per cent of the emergency activities. By the end of 2003, school feeding activities were taking place in nearly 400 primary schools in Gaza, Inhambane, Sofala and Manica provinces, reaching some 113,000 children.

6. Health and nutrition

40. The integrated UNICEF/WFP supplementary feeding programme provided: daily corn-soy blend supplements rations for children under five and for pregnant and lactating women; de-worming treatment and vitamin A supplements; detection of severely malnourished children; and also nutrition and hygiene education for caregivers. The programme reached 139,000 children under five and 73,000 pregnant and lactating women in 19 districts of six provinces identified as among the most food insecure.

41. Other activities being carried out included the training of health staff from therapeutic feeding centres in the management of severe malnutrition and nutrition training for people living with HIV/AIDS (especially children). These activities aimed at addressing the immediate problems arising from the humanitarian crisis as well as developing technical capacities within the health sector, in particular at district level, for sustainability purposes.

42. In terms of disease management, the support given to the Ministry of Health focused on reducing the vulnerability of populations facing both high levels of HIV/AIDS seroprevalence and drought-related health conditions. Activities included the control of diarrhoeal diseases and malaria, HIV/AIDS prevention activities and a home-based care programme in Gaza province (one among the most HIV/AIDS-affected areas). In November 2003, UNICEF provided support to the Ministry of Health and the National Institute of Statistics to disseminate the findings of the latest HIV/AIDS prevalence survey. WHO supported the Ministry in assessing the capacity of the health systems in 15 districts to respond to the humanitarian crisis.

The manual on nutrition interventions during emergencies was updated, 40 nutrition technicians and surveillance officers at the provincial level were trained in nutrition interventions during emergencies and health personnel in Sofala Province were trained in vulnerability assessment. UNDP also provided support to the Ministry of Health to build the capacity of its staff in the administration of the anti-retroviral drugs, mainly in the most affected areas, and to the National Aids Council to strengthen its presence and effectiveness at the provincial level, with special emphasis on the most affected regions.

43. Following a cholera outbreak in December 2003 that affected the provinces of Gaza, Nampula, Sofala and Zambezia and Maputo, including Maputo city, WHO conducted an assessment of the response to cholera in four provinces and facilitated the development of six community education, and water and sanitation projects for prevention of waterborne diseases.

44. Financial support to strengthen the cholera treatment centres with additional staff was made available by WHO through funds carried over from other cholera prevention activities and by UNICEF with funds from the Inter-Agency Consolidated Appeal 2003/2004.

45. Financial and technical support was also given for the organization of prevention campaigns in the neighbourhoods of the capital, the provision of materials on prevention, supplies for water, sanitation and hygiene and the delivery of this material to the provinces.

7. Water, sanitation and hygiene promotion

46. The latest vulnerability assessment found high rates of diarrhoeal diseases in the surveyed districts, resulting from decreasing access to potable water in the drought-affected areas and continuing poor hygiene practices. This highlights the increasing vulnerability of the population of these high-prevalence HIV/AIDS areas to opportunistic diseases. With resources available from both the previous and current appeal, 64 new water points were installed in eight affected districts in the provinces of Manica, Sofala and Tete. This activity contributed to increase the access to safe water for over 32,000 people in 64 communities. Training of community maintenance committees, to ensure the sustainability of these interventions, and community hygiene education sessions were carried out in these areas.

III. The HIV/AIDS pandemic

A. Overall impact of the pandemic

47. The implications of a food security crisis taking place in areas with the highest rates of HIV/AIDS and poverty have been a serious concern of the United Nations and the humanitarian community.

48. Mozambique has the tenth highest HIV prevalence rate in the world. According to the report released by the Ministry of Health and the National Institute of Statistics in 2003, 13.6 per cent of the adult population (15 to 49 years of age) was HIV positive in 2002 — 14.8 per cent in the south; 16.7 per cent in the centre and 8.4 per cent in the north.

49. Although the HIV prevalence rate is much lower than other countries in the subregion, neighbouring countries constitute a serious threat to Mozambique; the epidemic is particularly severe along the development corridors in the central and southern regions of the country.

50. The high prevalence of HIV/AIDS in the drought-affected and food-insecure districts has led to increased vulnerability of families, and the overall production capacity in these areas is at risk. In some of the drought-affected districts the seroprevalence is as high as 16.4 per cent (Gaza Province).

51. According to the Ministry of Health, an estimated 1.4 million Mozambicans of all ages were living with HIV/AIDS in 2002, of whom approximately 6 per cent were children (0-14 years of age) infected primarily through mother-to-child transmission of HIV. It is estimated that more than 500 people became infected with HIV each day in Mozambique during 2002, the majority youth under 29 years of age. Nearly 57 per cent of the Mozambican adults living with HIV/AIDS are women. The gender disparity is even more striking within the age 20 to 24 year-old age group, where women living with HIV outnumber men by four to one. More than 80,000 people are believed to have died of AIDS in 2002. In that same year, an estimated 300,000 children under 15 years of age lost their mothers, or both parents, due to AIDS. More than 370,000 children are estimated to have lost their mothers or both parents due to AIDS in 2003.

52. The need to address vulnerability in a much broader perspective in the assessments, analysis and response has been paramount throughout 2003. United Nations agencies supported the Vulnerability Assessment Committee in strengthening the assessment methodology and analysis, including multisectoral dimensions with a focus on HIV/AIDS.

53. In 2003, efforts to expand access to the services of the Voluntary Testing Centre succeeded in tripling the number of sites in urban and peri-urban areas, bringing the number of people using the services to 71,819, a 50 per cent increase compared to 2002. Despite the progress made, stigma and discrimination against people living with HIV/AIDS and their families hinder prevention, care and treatment efforts.

54. Recognizing the devastating impact of HIV/AIDS on the social and economic development of the country and the challenges posed by the continued marginalization of women and girls from all development sectors, the United Nations Country Team identified (a) response to HIV/AIDS and (b) support to gender equity, with emphasis on girls' education, as the two main thrusts for the development assistance efforts of the United Nations as part of the United Nations Development Assistance Framework for the period 2002-2006. Consequently, United Nations agencies pledged to allocate at least 25 per cent of their anticipated core and non-core resources to combat HIV/AIDS during 2002-2006, which, if fully funded, could translate into approximately $20 million a year to support the implementation of the National Strategic Plan on HIV/AIDS. A United Nations Integrated Framework on HIV/AIDS was developed through the United Nations Theme Group on HIV/AIDS to operationalize the strategies outlined in the Framework. The Framework addresses: HIV prevention, with a focus on youth; care and treatment, including care of affected children and families; and the creation of an enabling environment for a multisectoral response through leadership, policy planning and monitoring.

B. Women, girls and HIV/AIDS

55. As part of the preparatory work of the Secretary-General's Task Force on Women, Girls and HIV/AIDS, the United Nations Theme Group on HIV/AIDS carried out a mapping exercise of the United Nations response in this area. Recommendations were made during the annual review of the integrated work plan to ensure that the 2004 United Nations integrated work plan on HIV/AIDS clearly articulates the Organization's support for the six key issues covered in the framework guiding the Task Force: (a) prevention of HIV infection among women and girls; (b) violence against women and girls; (c) property and inheritance rights of women and girls; (d) the role of women and girls in caring for those infected and affected by HIV/AIDS; (e) access to HIV/AIDS care and treatment for women and girls.

56. In addition, the United Nations is supporting the revision of the National Plan for the Reduction of Absolute Poverty and the poverty reduction strategy paper with a view to mainstreaming HIV/AIDS, gender and disaster prevention, preparedness and management in all sectors and to addressing their interface with the humanitarian response to mitigate the current food crisis and other natural disasters.

IV. Food insecurity and HIV/AIDS

57. In 2002, United Nations agencies in Mozambique developed a document entitled "Food security vulnerability: a summary of the multisectoral process in Mozambique".

58. From the beginning of the crisis, the United Nations Country Team had acknowledged the need to develop a multiple and integrated approach to dealing with it. Food security, HIV/AIDS and poverty were recognized dimensions and underlying factors of the crisis. Therefore, poverty reduction and HIV/AIDS prevention and mitigation strategies and related actions were strategically combined with all other efforts. The United Nations has been advocating for the fight against AIDS and disaster prevention and management as two cross-cutting concerns of the National Plan for the Reduction of Absolute Poverty.

59. In order to measure the extent to which the drought and HIV/AIDS have affected the population, the United Nations worked with Government counterparts to develop multisectoral assessments. While the first round of assessments, in June and July 2002, did not include specific indicators relating to HIV/AIDS, demographic information on household dependency ratios and the number of child and elderly-headed households were included. The second round of assessments in November and December 2002 was based on a revised questionnaire and included additional proxy indicators such as the number of households with a chronically sick adult. These efforts continued throughout 2003.

60. The specific immediate actions taken in 2002 and 2003 by the United Nations Country Team in Mozambique to address the combined effects of HIV/AIDS and food insecurity through a multisectoral response included:

(a) **Advocacy and communication**: the United Nations system played, and is playing, a leading role to increase awareness of the Government of Mozambique and other partners of the impact of the combined crisis of food security and

HIV/AIDS and to bring about a sense of urgency. The United Nations Theme Group on HIV/AIDS assisted the National AIDS Council of Mozambique and other partners in the development of a comprehensive strategy for communication and advocacy in support of the national strategic plan. This strategy focuses on strengthening the capacity of communities to make informed choices. Simultaneously, UNDP and the United Nations Educational, Scientific and Cultural Organization (UNESCO) used a media project to provide journalists with the requisite tools, methodologies and understanding of the underlying concepts. UNDP is also supporting communication efforts of the National Institute for Disaster Management in disaster prevention and management, especially at the community level. In addition, the information officers of the various United Nations agencies supported the communication and awareness-raising efforts of their respective agencies, the United Nations Disaster Management Team and the Emergency Unit;

(b) **Coordination mechanisms**: collaboration between the United Nations Theme Group on HIV/AIDS, the United Nations Disaster Management Team and the United Nations Food Security Theme Group intensified. UNDP, which is presently building the capacity of the Government, is also encouraging closer collaboration between the national entities responsible for coordinating humanitarian response and the multisectoral response to HIV/AIDS and their partners — the National Disaster Management Institute and the National AIDS Council — at the central, decentralized and community levels. The ongoing revision of the National Plan for the Reduction of Absolute Poverty is also meant to support a more harmonious intersectoral coordination. The Emergency Unit, under the Resident Coordinator, is supporting coordination efforts with Government, bilaterals and NGOs;

(c) **Monitoring of national response**: United Nations agencies have been strengthening the system to monitor the national response (finalization of the monitoring and evaluation framework). The United Nations-initiated revision of the National Plan for the Reduction of Absolute Poverty is also meant to insert the MDGs in the Plan in order to facilitate their monitoring and evaluation (UNDP). Monitoring and evaluation is simultaneously addressed through the "Poverty Observatory", put in place through a joint effort of the Government and the United Nations (UNDP). In addition, the United Nations Country Team has ensured that HIV/AIDS indicators are included in assessments of the humanitarian situation measurement tools and methodologies (Regional Vulnerability Assessment Committee, UNICEF, WFP, FAO, the World Health Organization (WHO) and the secretariat of the Joint United Nations Programme on HIV/AIDS (UNAIDS)). UNICEF assisted the Government in establishing nutrition sentinel surveillance sites in the worst affected areas, as well as capacity-building programmes for the National Institute of Statistics to collect, analyse and collate data relating to the well-being of people in Mozambique;

(d) **Capacity-building of national institutions**: the United Nations system is making serious efforts to build national capacity in the country, where human resources are a major constraint. Of particular importance is the strengthening of the capacity of the secretariat of the National AIDS Council at the central and provincial levels, as well as key ministries to respond to both the health and the socio-economic impact of the combined crisis (UNDP). In addition, the Ministry of Health is receiving special training in biosafety as well as in the management, control and administration of anti-retroviral drugs. Particular attention is paid to the needs of

institutions working in disaster-prone and high-prevalence areas of the country (UNDP). Simultaneously, capacity-building in disaster prevention, preparedness and management has been pursued at central and decentralized levels (UNDP). Mozambique faces a serious scarcity of qualified human resources. The expansion of the existing United Nations Volunteer programme is contemplated to accelerate the fight against poverty and AIDS and the achievement of the MDGs at central provincial, district and community levels. This will be done while respecting the Government's request for a realistic exit strategy (UNDP);

(e) **Prevention of HIV**: while the prevention of HIV is an ongoing focus of the United Nations work in Mozambique, specific efforts were made to focus on prevention activities in the areas most affected by the current humanitarian situation (UNDP, the United Nations Population Fund (UNFPA), UNICEF and UNESCO). UNFPA and UNICEF are major partners of the Ministry of Health in ensuring an increased access of adolescents and youth to reproductive health services;

(f) **Other prevention activities**: United Nations agencies promoted responsible sexual behaviour among the general public through: a multimedia communication approach and workplace programmes; promotion of increased access to, and utilization of, services for the treatment of sexually transmitted diseases; and improvement of biosafety in health-care settings through the development of guidelines and the provision of equipment, supplies and training (UNDP supported the training of 86 physicians and paramedical staff, including 18 trainers, on the application of the universal norms of blood safety). UNFPA provided more than five million condoms to the Ministry of Health in 2003, while UNDP supported the Ministry of Health with the production and dissemination of 316,000 educational materials on HIV/AIDS. In collaboration with UNESCO, UNDP continued to strengthen the capacity of media to respond to HIV/AIDS. In this respect, during 2003, 25 of the training courses organized for journalists included sessions on HIV/AIDS and monthly bulletins have been published to provide the media with state-of-the-art information on HIV/AIDS;

(g) **Support to people living with HIV/AIDS**: the United Nations system provided institutional and technical support to the National Network of People Living with HIV/AIDS Associations in Mozambique through UNAIDS. In addition, technical support was provided to the Ministry of Health to produce nutritional guidelines for people living with HIV/AIDS (UNICEF). Training courses on the Ministry of Health's guidelines on nutrition for people living with HIV/AIDS was held for health workers and members from the relevant associations. The content of food rations distributed was adjusted to the needs of seropositive people (WFP);

(h) **Assistance to orphans and other children made vulnerable by AIDS**: the United Nations provided assistance to civil society organizations, including associations of people living with HIV/AIDS, that have developed a community monitoring system to identify, register and support children made vulnerable by HIV/AIDS, especially orphans, to whom they provide counselling and home-based care (UNICEF/WFP);

(i) **Prevention of sexual exploitation and abuse**: in order to prevent increased HIV transmission as a result of increasingly risky behaviours or increased sexual exploitation and abuse of vulnerable women and children, an awareness-raising campaign on the issues of sexual exploitation and abuse was initiated with the Government, the United Nations, NGOs and community representatives in the

areas affected by the humanitarian crisis. Through the Foundation for Community Development, training in HIV/AIDS prevention, targeting 800 people, including United Nations staff, NGO partners, Government authorities and private sector partners, such as truck drivers contracted to deliver food aid, was carried out in the seven drought-affected provinces (UNICEF, WFP, Save the Children-UK, World Vision);

(j) **Health care**: technical assistance posts were placed in the provincial health departments to support the planning and development of health activities, to provide training and supervision of health staff at the provincial and district level and to strengthen epidemiological and nutritional surveillance, preparedness and response activities (UNICEF, WHO). District-wide measles immunization was supported after a measles outbreak in Manica and Tete provinces, which are among those affected by the humanitarian situation (UNICEF). For the first time, the Ministry of Health extended its target age group for measles immunization to comply with WHO recommendations (lowest age is, however, still 9 months). In support of malaria control, UNICEF worked with NGO partners in Gaza province, to carry out a net retreatment campaign. The provision of insecticide-treated nets to vulnerable districts was increased. This activity was accompanied by participatory education at the community level on the prevention, recognition and treatment of malaria. UNDP supported the nationwide efforts of the Ministry of Health to build capacity of its personnel in the administration of anti-retroviral drugs;

(k) **Reducing the impact of HIV/AIDS on agricultural production**: FAO supported the Government in introducing alternative (labour-saving) farming techniques and improved seeds that require less labour for weeding. WFP supported the Government's action plan for drought-affected areas through food for work. This was complemented through increased access to potable water (UNICEF) and efforts to eliminate gender-based differences in access to land, credit, employment, education and information (FAO, UNDP, UNFPA, UNICEF);

(l) **Reducing the impact of natural disasters on agricultural production**: a task force was set up to address the root causes of the drought (FAO, UNDP). Simultaneously, the United Nations system has initiated the formulation of a rural development strategy to address at various levels and in a long-term perspective the recurrent causes of food insecurity (FAO, UNDP, the International Fund for Agricultural Development (IFAD) and the World Bank). The United Nations assisted in gathering, analysing and distributing early warning information on food security. FAO developed small-scale irrigation systems in drought-affected areas and training local manufacturers to produce treadle pumps for small-scale irrigation schemes. It also promoted seed fairs, distributing indigenous poultry and supported household food security programmes in drought-affected zones (FAO). In addition, the United Nations is assisting the Ministry of Industry and Trade to alleviate the in-country constraints and facilitate the transportation of food from food-surplus areas to food-deficit ones (FAO), while encouraging, to the extent funding permits, the purchase of food aid in Mozambique (WFP);

(m) **Education**: financial support was provided to the Ministry of Education to establish sentinel surveillance of attendance and dropout rates in schools in both affected and non-affected areas. In the areas most affected by the drought, learning and teaching kits were distributed and training of teachers was conducted (UNICEF);

(n) **Partnership and mobilization of civil society**: as part of its 2003 work plan, the United Nations strengthened coordination of the multisectoral response and partnerships with civil society organizations. The focus of United Nations joint support for 2003 was to mobilize and develop the capacity of people living with HIV/AIDS, associations and faith-based organizations (all United Nations agencies, UNAIDS secretariat). In this respect, the World Bank allocated, for a period of five years, a $30 million grant to support civil society initiatives on HIV/AIDS, including $5 million to develop civil society institutional and technical capacity. Furthermore, United Nations Volunteers were placed in each provincial HIV/AIDS coordination unit with a view to strengthening their capacity to work with civil society organizations involved in the fight against HIV/AIDS (UNDP). Simultaneously, the United Nations system redoubled efforts within its ongoing programmes, including in its poverty reduction initiatives, to reduce vulnerability and strengthen coping capacities of communities through multisectoral action (all agencies). Support was given to train teachers for the new curriculum, which includes HIV/AIDS;

(o) **Resource mobilization**: there were many positive developments with regard to resource mobilization for HIV/AIDS in 2003. Anticipated funds for AIDS include $109 million for five years through the Global Fund; a $55 million grant through the World Bank, including $25 million to support civil society initiatives on HIV/AIDS; an approximately $50 million grant through the Clinton Foundation to scale-up the provision of anti-retroviral treatments, $900,000 from USAID to address HIV/AIDS in the workplace, and a potential contribution (undetermined amount) through the Bush Initiative on AIDS. These new funds, combined with those of the United Nations ($15-$20 million a year) and bilateral funds present a unique opportunity for the country to rapidly expand the national response, though the lack of adequate human, technical and institutional capacities will continue to pose major challenges. United Nations Volunteers and others are being used by most donors to compensate the lack of human resources. The Government is adamant, however, that sustainable mechanisms are to be put in place in order to facilitate a short-term realistic exit strategy. Resource mobilization in disaster prevention and management is ongoing. It is two-prong: emergency for immediate response to the effects of cyclones, floods and drought; and assistance for long-term disaster prevention and management activities;

(p) **Mainstreaming**: the United Nations is supporting the revision of the National Plan for the Reduction of Absolute Poverty, with a view of mainstreaming HIV/AIDS, gender, disaster prevention/preparedness and management and ICT for development in all sectors, in order to mitigate the current crisis and other natural disasters;

(q) **Inter-country collaboration**: the United Nations Country Team works regionally, specifically in dealing with the humanitarian situation, and in responding to the HIV/AIDS epidemic in general. This is done through the Resident Coordinator, and also at the level of the individual agencies, or between agencies and regional mechanisms (e.g. the Southern African Development Community (SADC), the United Nations Regional Inter-Agency Coordination Support Office for the Special Envoy for Humanitarian Needs in Southern Africa, and the Southern African Humanitarian Information Management System, etc.). The database and information system put in place in the United Nations Emergency Unit of the Office

for the Coordination of Humanitarian Affairs are active tools of this regional collaboration;

(r) **Institutional arrangements**: in 2002, the chair of the United Nations Theme Group on AIDS was UNDP and the Deputy Chair was UNICEF. In 2003, the chair of the United Nations Theme Group on AIDS was UNICEF and the Deputy Chair was WFP. In the same year, WFP was the Chair of the United Nations Disaster Management Technical Working Group and UNICEF the vice-chair, in order to recognize the leading role played by those two agencies in ensuring the most efficient multisectoral approach to the present crisis;

(s) **Addressing underlying causes of vulnerability**: overall, the United Nations system in Mozambique pursued efforts to reduce vulnerability and strengthen coping capacities through community-based multisectoral actions.

61. The United Nations Country Team in Mozambique recognized early on the need for mainstreaming of HIV/AIDS into programmes and activities, as is reflected in the United Nations Development Assistance Framework for 2002-2006. The Government of Mozambique is highly committed to the fight against HIV/AIDS and to a sustainable approach to disaster prevention and management. It has also recognized the importance of increased efforts to address the interrelated scourges of HIV/AIDS and food insecurity. From the dimensions of the current humanitarian crisis, particularly after a second year of drought in south and central Mozambique, it has become all the more apparent that accelerated and innovative approaches are necessary. Such innovations, some of which are already being implemented, need to be anchored in strong partnership with United Nations agencies, NGOs partners, the Government of Mozambique and civil society.

V. The Millennium Development Goals

62. The previous report on implementation of General Assembly resolution 57/104, "Assistance to Mozambique", included detailed information on the progress made towards achieving the Millennium Development Goals (A/57/97-E/2002/76). This information was based on the findings of the progress report for Mozambique, presented by President Chissano at the Carter Center, in Atlanta, in February 2002. Furthermore, the Government of Mozambique identified the need to have the MDGs and the relevant monitoring and evaluation mechanisms incorporated into its national development plans (including the National Plan for the Reduction of Absolute Poverty and the poverty reduction strategy paper).

63. Following a request from the Government of Mozambique to UNDP to provide assistance for the articulation of the MDGs in the National Plan to facilitate everyone's understanding and contribution towards the achievement of the goals, the United Nations Country Team in Mozambique has decided that the MDGs will be at the centre stage of all United Nations activities in 2004. The process, which will require the involvement of all United Nations agencies in Mozambique, will also focus on relevant monitoring and reporting mechanisms to assess progress made under the National Plan and towards the achievement of the MDGs.

64. The second progress report on the achievement of the MDGs for Mozambique will be issued in the fall of 2004 and will be a joint effort by the United Nations agencies and the Government of Mozambique. The aim of the progress report is to

create awareness of the MDGs and to stimulate a discussion on Government's priorities and measures needed to achieve the goals. The Economic Unit of UNDP will be the secretariat for the MDG campaign.

65. In 2004, the mid-term review of the United Nations Development Assistance Framework for Mozambique will also be carried out. This provides a good opportunity to articulate the UNDAF priorities and objectives with regard to the MDGs, facilitating the joint activities of United Nations agencies and the articulation of country programmes in this field. The review will also be used as a first step to reposition the United Nations in Mozambique, taking into account the shifting environment, including the new trend among many bilateral donors to move towards direct budget support.

VI. The way forward

A. The Government contingency plan for natural disasters for 2004

66. The national contingency plan for 2004 was launched on 11 December 2003. The plan contemplates three disaster scenarios. The drought scenario for 2004 contemplates 971,512 people at risk, representing a significant 34 per cent decrease compared to 2003 when 1,469,782 were identified at risk. The number of people at risk of cyclones is estimated at 1,353,770 (12 per cent increase compared to 2003). Finally, 847,684 people are estimated to be at risk of floods (no significant change compared to 2003 when 847,070 were identified as being at risk). The contingency plan has a budget of approximately $35 million, which comprises prepositioning of stocks, building of disaster preparedness and early warning capacity, disaster mitigation interventions, sensitization and coordination.

B. The United Nations Inter-Agency Emergency Preparedness and Response Plan for 2004

67. The United Nations Inter-Agency Emergency Preparedness and Response Plan for 2004 is intended to support the National Disaster Management Institute in the implementation of the national contingency plan. The Plan is based on the same disaster scenarios and figures provided in the Government's plan. Recognizing the heavy impact of HIV/AIDS and women's vulnerability to it, the United Nations seized the opportunity of the revision of the Plan to ensure that HIV/AIDS and gender considerations were taken into consideration. As such, the guidelines for HIV/AIDS interventions in emergency setting developed by the Inter-Agency Standing Committee were used as a reference document to update a matrix of activities to be implemented as part of preparedness and emergency response measures.

68. The United Nations Emergency Unit of the Office for the Coordination of Humanitarian Affairs will continue its support to the coordination efforts, database enhancement and information sharing. The Unit ensures that all partners generate and use information needed to respond effectively. It is part of the regional Southern African Humanitarian Information Management System.

69. The following mechanisms, which ensure a coordinated United Nations response to the emergency, namely the United Nations Disaster Management Team, the United Nations Disaster Management Technical Working Group and the Disaster Management Partners Group, will continue to meet regularly and ensure close liaison with other coordination mechanisms such as the United Nations Theme Group on AIDS, the Gender Technical Working Group and the newly established Vulnerability Technical Working Group.

C. The recommendations of the meeting of the Southern African Development Community

70. The Southern African Development Community (SADC) held a mid-season strategic assessment and disaster preparedness meeting in February 2004 in Maputo. In view of the poor performance of the rainfall in late 2003 and early 2004, the following recommendations were made and endorsed by the Government of Mozambique:

(a) **Refined assessments are required to better understand the levels of vulnerability**: coordinated multisectoral vulnerability assessments should be given top priority and carried out with urgency so that an efficient and effective response can be launched to assist affected communities. In order to reduce duplication and build consensus, these assessments must be carried out through existing national and regional structures;

(b) **Make use of second season and winter cropping**: Member States are urged to make use of the near-normal rains expected for the remainder of the season, as well as groundwater sources, for potential second-season crops, where possible;

(c) **Improve emergency response**: while Member States, the United Nations and other multilateral agencies have done commendable work in providing food assistance to Member States affected by last year's crop failure, there is need to solve outstanding challenges in targeting and addressing the impact of HIV/AIDS on food security;

(d) **Increased emphasis on disaster prevention, mitigation and preparedness**: Member States and cooperating partners are urged to allocate additional resources for capacity-building for the national response to disaster prevention, mitigation and preparedness;

(e) **Need to strengthen institutional capacities**: the meeting noted that disaster management institutions and vulnerability assessment committees have not been fully instituted at the SADC secretariat and in some Member States. The meeting recommended that the SADC secretariat and Member States strengthen their disaster management structures and functions. This entails strengthening institutions that are key in these areas, including human resources development;

(f) **Role of trade and markets**: formal and informal intraregional food trade should be promoted as the first resort to resolve expected food deficits.

VII. Recommendations

71. The United Nations Country Team in Mozambique fully shares the concerns and recommendations stemming from the SADC meeting. The Team should continue to implement the recommendations made in the report of the Special Envoy of the Secretary-General for Humanitarian Needs in Southern Africa in April 2003. In particular, the Team will take the opportunity of the mid-term review of the United Nations Development Assistance Framework to address the severe impact of HIV/AIDS on women, girls and orphaned children and, in particular, to include the notion of vulnerability.

72. Simultaneously, the excellent inter-agency collaboration existing at the central level should be reinforced and extended to the provincial, district and, more specifically, the community level, especially in the field of vulnerability reduction. This has also been identified as an entry point for joint programming. Strong partnerships with civil society, private sector, bilateral and multilateral donors must be expanded, while the capacity of national central and decentralized authorities must be strengthened.

73. Because of the exposure of Mozambique to a wide range of natural disasters, the preparation of a national plan for disaster management is crucial. The plan for disaster management should serve as a guiding instrument for all institutions involved in risk management. It should outline preparedness, prevention/mitigation and response activities to an emergency situation associated with natural/man-made disasters or technological occurrences in Mozambique. The National Institute for Disaster Management should go beyond the preparation of annual contingency plans and step up to the next level of initiating coordination action leading to the preparation of a national plan for disaster management.

Notes

[1] UNDP, *Human Development Report 2003* (United Nations publication, Sales No. 03.III.B.1).

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Economic and environmental questions: human settlements

Coordinated implementation of the Habitat Agenda

Report of the Secretary-General**

Summary

The present report indicates that governments have continued to increase their support for the United Nations Human Settlements Programme (UN-Habitat) and the Human Settlements Foundation, the Technical Cooperation Trust Fund and the Special Human Settlements Programme for the Palestinian people. The report further encourages Governments to increase the non-earmarked component of their contribution. It also shows that UN-Habitat has continued to strengthen its cooperation and collaboration within the United Nations system and with women, youth, local authorities, Governments and other Habitat Agenda partners, as well as to strengthen its Habitat Agenda monitoring programmes.

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** Submission of the report was delayed owing to consultations.

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I. Introduction

1. The present report has been prepared pursuant to paragraph 10 of Economic and Social Council resolution 2003/62.

II. Progress on implementation

A. Funding

2. The Executive Director of the United Nations Human Settlements Programme (UN-Habitat) has written to all Member States requesting that they increase their contributions to the United Nations Habitat and Human Settlements Foundation. On the whole, Governments have responded quite positively to calls for increased contributions. General-purpose funds from Governments rose from US$6 million in 2002 to US$8.3 million in 2003, while special-purpose contributions from Governments and other donors increased to US$37.8 million during the 2002-2003 biennium. The main concern is that special-purpose contributions remain considerably higher than general-purpose contributions, making it difficult for UN-Habitat to plan its financial commitments and implement its work programme around strategically focused goals.

3. As 60 per cent of the general-purpose contributions come from four Governments, a vigorous campaign has been launched to widen the donor base. The Executive Director has also appealed to member States for multi-year funding to enable more effective support of programme implementation. There are promising signs, with commitments of 15 million Canadian dollars from the Government of Canada and 10 million Norwegian kroner from the Government of Norway towards the Water and Sanitation Trust Fund to support developing countries in achieving goal 7 (targets 10 and 11) of the Millennium Development Goals. In addition, UN-Habitat and the Asian Development Bank signed a memorandum of understanding in March 2003 under which they will provide US$ 10 million in capacity-building grants to Asian cities, to be followed by US$ 500 million in loans for pro-poor investments in water and sanitation through the water for Asian cities programme. UN-Habitat is also developing a slum upgrading facility as an innovative way of raising funds for upgrading slums and for other human settlements activities, while also strengthening the United Nations Habitat and Human Settlements Foundation.

4. In its resolution 2003/62, the Economic and Social Council welcomed decision 19/18 of the Governing Council of UN-Habitat, in which the Governing Council endorsed the establishment of the Special Human Settlements Programme for the Palestinian people and the Technical Cooperation Trust Fund of $5 million for an initial period of two years. The Council also urged the international donor community and all financial institutions to support UN-Habitat in the immediate mobilization of financial resources for the establishment and operation of the Programme and the Fund. The Programme Coordinator assumed his duties on 1 March 2004 and began implementation of the Programme with a programme definition phase (March 2004 to December 2004), which involved consultations with the Palestinian Authority, bilateral donors and inter-agency consultations, fund-raising for the Fund, assessment of existing conditions in the Occupied Palestinian

Territory and formulation of programme elements. Steps are being taken to appoint a chief technical adviser in Jerusalem and a UN-Habitat programme manager in Gaza to assist the Coordinator in implementing the Programme. To date, contributions to the Fund have been made by the United States of America ($500,000) and Sweden ($275,000).

B. Partnerships

5. Habitat Agenda partners were engaged in the intergovernmental processes and global events of relevance to UN-Habitat, in addition to the system-wide engagement of partners in UN-Habitat. Over the last two years, UN-Habitat has also focused its cooperation with non-governmental organizations on major umbrella groups and networks. While engagement with the private sector needs further strengthening, the local authorities are already extensively integrated in UN-Habitat's work. The new rules of procedures, adopted by the General Assembly at its fifty-eighth session as recommended by the Governing Council at its nineteenth session have paved the way for enhanced engagement of local authorities in UN-Habitat's activities. A 28-country study on decentralization and the strengthening of local authorities was carried out in 2003 as a follow-up to the resolution adopted by the Commission on Human Settlements at its eighteenth session.

6. The main focus of cooperation and collaboration with non-governmental organizations and other Habitat Agenda partners was on the implementation of UN-Habitat global campaigns for security of tenure and good urban governance, and on the global monitoring of urbanization trends. UN-Habitat worked closely with local authorities and their international associations during the reporting period. At the same time, technical collaboration with local authorities and their associations continued in the context of a number of UN-Habitat projects and global programmes. Partners, such as Global Parliamentarians on Habitat, held the Fourth Global Forum of Parliamentarians on Habitat in Berlin from 12 to14 May 2003 and adopted the Berlin Declaration calling on Governments to increase financial support for the objective of improving the lives of 100 million slum-dwellers by the year 2020, under goal 7, target 11, of the Millennium Development Goals.

7. UN-Habitat worked closely with civil society representatives from around the world and financially supported the participation of members from the non-governmental organization community and youth organizations at the nineteenth session of the Governing Council. The non-governmental organization forum, which was held prior to the nineteenth session of the Governing Council, was attended by the representatives of approximately 500 non-governmental organizations. The main aim of the forum was to promote and advocate implementation of the Habitat Agenda and exchange experiences and ideas on shelter and housing development.

8. UN-Habitat is working towards increasing the number of women's organizations and women's affairs ministries working in the area of human settlement in order to meet the challenge of bringing human settlement issues into the women's mainstream agenda and the 10-year review process of the Fourth World Conference on Women. To this end, UN-Habitat is working with 13 grass-roots women's organizations in East Africa to implement the women's empowerment programme, which focuses on housing development, land rights and the promotion

and sale of East Africa handicrafts at the Universal Forum of Cultures in Barcelona. UN-Habitat is also collaborating with the regional commissions and women's organizations involved in the review of the implementation of the Beijing Platform for Action and in the preparations for the 10-year review process.

9. A number of women's organizations in Asia participated in the Asia regional expert group meeting on gender issues in human settlements and in the award ceremony for the first contest on gender-responsive local governments and women-friendly cities, held in March 2004. Women's organizations were also represented in the jury for the contest. Women's organizations participated in the consultation on the rights of women to adequate housing, which was organized in collaboration with the United Nations Special Rapporteur on adequate housing and was held in Mexico in January 2004. UN-Habitat has carried out studies on the rights of women to land and property, as part of a larger study undertaken in Latin America, and the findings will be published in 2004.

10. Women's organizations continue to participate in the steering committees of the two global campaigns on secure tenure and on urban governance and the best practices programme. The local-to-local dialogue tool kit prepared by the Huairou Commission, a women's grass-roots organization, with the support of UN-Habitat, will be published in 2004 and a workshop on engendering local governments will be held during the second session of the World Urban Forum. UN-Habitat worked in partnership with women's organizations to organize parallel events on gender, water and sanitation and women in human settlements at the twelfth session of the Commission on Sustainable Development. The Huairou Commission is planning various networking events for women's organizations at the Forum.

11. Overall, more resources are needed to support relevant activities undertaken by women's networks in the area of human settlements development.

12. UN-Habitat has a history of working with youth and cooperating with member States to address the issues facing young people.

(a) The Government of the Netherlands has provided support to UN-Habitat's work programme on youth in the areas of social crime prevention and sustainable livelihoods;

(b) The Government of Norway has supported the participation of youth from developing countries to attend sessions of UN-Habitat's Governing Council;

(c) The Government of Kenya has developed an integrated youth policy in Nairobi, including the establishment of a city-wide one stop integrated youth development centre;

(d) The Government of the United Republic of Tanzania is also developing an integrated youth policy at the local level, including the establishment of a city-wide youth council in Dar es Salaam;

(e) The Government of South Africa hosted an international conference on sustainable safety, which include an international youth meeting that was based on South Africa's good practices on youth crime prevention and sustainable livelihoods;

(f) The Government of Mexico will be hosting an international conference on urban youth at risk in Monterrey in October 2004 to define a regional strategy for Latin America and the Caribbean.

13. UN-Habitat participated in a high-level panel on youth employment, held at the headquarters of the International Labour Organization (ILO) in Geneva in 2003, in which urban issues were included in the panel recommendations. UN-Habitat has also been requested to organize an expert group meeting on urban youth employment together with the Department of Economic and Social Affairs of the United Nations Secretariat and the ILO. The meeting, which is to be held in Nairobi in June 2004, will follow up the Geneva recommendations and explore the urban aspects of youth employment under goal 7, target 11, of the Millennium Development Goals.

14. A draft regional strategy on urban youth at risk in Africa has been prepared and a draft strategy on enhancing the engagement of youth in UN-Habitat is under preparation. Consultations have been carried out with youth at various forums. Cooperation with local authorities has been strengthened in cities where UN-Habitat has already implemented programmes in order to add the component of capacity-building for youth employment and poverty alleviation. Capacity-building frameworks or city-wide one stop youth information resource centres, have been launched (e.g., in Kenya), facilitated by local authorities in partnership with the private sector and youth organizations.

15. The global partnership initiative on urban youth development in Africa will be launched at the second World Urban Forum, which will be held in Barcelona in September 2004. The initiative will be spearheaded by city mayors in the context of the New Partnership for Africa's Development. As part of the initiative, UN-Habitat and various United Nations agencies will jointly respond to requests for assistance.

16. UN-Habitat is also cooperating with various United Nations agencies in youth-related initiatives, as follows:

(a) The Department of Economic and Social Affairs cooperates with UN-Habitat under its youth work programme, which included the preparation of the *World Youth Report 2003*, to be submitted to the General Assembly at its fifty-eighth session;

(b) The United Nations Office on Drugs and Crime has signed a memorandum of understanding with UN-Habitat on programmes targeting youth and crime prevention;

(c) The United Nations Educational, Scientific and Cultural Organization (UNESCO) is engaged with UN-Habitat in ongoing discussions on training manuals (e.g., UNESCO's growing up in cities manual and safer cities urban youth crime prevention manual) with the possibility of launching a joint training programme;

(d) The International Labour Organization is jointly involved with the Department and UN-Habitat in organizing an expert group meeting on urban youth employment in Nairobi in 2004;

(e) The United Nations Environment Programme (UNEP) is engaged in the exchange of information and in collaborating on the development of a youth consultative mechanism, based on UNEP experience in the area;

(f) The United Nations Children's Fund is collaborating with UN-Habitat on the policy dialogue on youth, children and urban governance at the 2004 World Urban Forum;

(g) The World Bank, with UN-Habitat's participation, held a youth, development and peace conference as part of the new World Bank strategy on youth and children. Joint activities are being considered in Kenya.

C. Monitoring

17. The Habitat Agenda task manager system has been designed to allow better monitoring and mutual enforcement of actions taken by international agencies in support of the implementation of the Habitat Agenda, in accordance with paragraph 66 of General Assembly resolution S-25/2, annex.

18. The Habitat Agenda task manager system is broad-based, involving all Habitat Agenda partner groups, including relevant United Nations agencies, local authorities and non-governmental organizations. It builds on three pillars: (i) the monitoring activities undertaken on a continuous basis by the global urban observatory of UN-Habitat; (ii) the flagship reports published annually by UN-Habitat, such as the *Global Report on Human Settlements* (last issue launched in October 2003) and the *State of the World's Cities* report (next issue to be launched in September 2004); and (iii) the biennial sessions of the World Urban Forum.

19. The second session of the World Urban Forum will be held in Barcelona from 13 to 17 September 2004. The sessions of the World Urban Forum are the cornerstone of the Habitat Agenda task manager system as they are attended by a large number of partners and are issues-based and action-driven. Their preparation and format are geared to improve synergies and partnerships among international agencies, both multilateral and bilateral. Each session has a specific focus. The first session, for instance, addressed sustainable urbanization policies in preparation for the World Summit on Sustainable Development, while the second session will address the role of cities in social integration and the promotion of cultural diversity.

D. Coordination

20. UN-Habitat is participating in the United Nations Development Group (UNDG) at different levels. The Executive Director of UN-Habitat participates in the heads of agencies meetings of UNDG. Other staff members participate in the UNDG Support Group and Programme Group and in other relevant meetings. This has improved collaboration with United Nations agencies, programmes and funds and country teams in the implementation of the Habitat Agenda, the Declaration on Cities and Other Human Settlements in the New Millennium and the relevant goals and targets of the United Nations Millennium Declaration.

21. The Millennium Development Goals are integrated into new guidelines for the common country assessment and the United Nations Development Assistance Framework (UNDAF) and linkages between common country assessment/UNDAF, the Millennium Development Goals and poverty reduction strategy papers are clarified. This gives more visibility to human settlements issues, with particular reference to the Millennium Development Goals target of significantly improving

the lives of at least 100 slum-dwellers by the year 2020 and the challenge of halving the rapidly growing urban demand for safe water and adequate sanitation by 2015.

22. UN-Habitat signed a memorandum of understanding with the United Nations Development Programme (UNDP) in September 2002 and has started to post Habitat programme managers within selected UNDP country offices. This initiative ensures better coordination of UN-Habitat programmes with national Governments and assists the resident coordinator system in providing both national and international expertise in incorporating a specific component on shelter, sustainable human settlements and urban poverty in the common country assessment and the United Nations Development Assistance Framework. By the end of 2004, a total of 33 programme managers are expected to be in place.

E. National development strategies

23. A number of Governments have included shelter and urbanization issues in their national development strategies. However, poverty reduction strategy papers often do not include a territorial dimension. Their tendency to ignore the ongoing urbanization of poverty is well documented in the UN-Habitat publication entitled *The Challenge of Slums: Global Report on Human Settlements 2003*. The link between sustainable urbanization policies and poverty reduction strategies remains to be clarified and strengthened in many developing countries. Increased international cooperation is required in this area.

III. Recommendations

24. **Governments that are in a position to do so are encouraged to increase the non-earmarked component of their contribution in order to facilitate the implementation of the Habitat Agenda, the Declaration on Cities and Other Human Settlements in the New Millennium and the relevant commitments of the Millennium Declaration, particularly the commitment to achieve a significant improvement in the lives of at least 100 million slum-dwellers by 2020.**

25. **The international donor community and all financial institutions are encouraged to contribute generously to the Technical Cooperation Trust Fund and the Special Human Settlements Programme for the Palestinian people to enable UN-Habitat to assist in resolving the long-term deterioration in human settlement conditions in the Occupied Palestine Territory and in fully realizing the objectives of the Programme.**

26. **Governments are encouraged to facilitate partnerships at the national and local levels with civil society organizations, local authorities and the business sector in implementing the Habitat Agenda and the relevant targets of the Millennium Development Goals.**

27. **National Governments and international agencies are encouraged to review and promote the role of cities in sustainable development as the engines of economic growth and to assess their social risk and opportunity as well as their potential assets in relation to rural hinterlands.**

28. **Governments are encouraged to support the participation of partner groups from developing countries at the World Urban Forum in Barcelona in 2004.**

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Implementation of General Assembly resolutions 50/227 and 52/12 B

The role of the Economic and Social Council in the integrated and coordinated implementation of the outcomes of and follow-up to major United Nations conferences and summits

Report of the Secretary-General**

Summary

In its resolution 2003/6, the Economic and Social Council requested the Secretary-General to update his report on conference follow-up in the light of General Assembly resolution 57/270 B on the integrated and coordinated implementation of and follow-up to the outcomes of major United Nations conferences and summits. The present report identifies the steps that have been taken to date to implement the provisions of the resolution that are relevant to the work of the Council. It also focuses on areas that need further action in order to promote coordinated implementation throughout the United Nations system. A number of recommendations are made in this regard. The present report also focuses on the Council's possible contribution to the high-level plenary meeting of the General Assembly in 2005.

* E/2004/100.

** The submission of the present report was delayed because inputs on the implementation of General Assembly resolution 57/270 B and Economic and Social Council resolution 2003/6 from most of the subsidiary bodies of the Council were obtained after the conclusion of their annual sessions in late April and early May 2004. Also, the report took into account General Assembly resolution A/58/291 dealing with the same subject, which was adopted in early May 2004.

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I. Background

1. In accordance with its decision 2002/309, the Economic and Social Council devoted its coordination segment of 2003 to the theme "The role of the Economic and Social Council in the integrated and coordinated implementation of the outcomes of and follow-up to major United Nations conferences and summits". The Council had before it a report of the Secretary-General on the role of the Council in the integrated and coordinated implementation of the outcomes of and follow-up to major United Nations conferences and summits, which was prepared before the conclusion of the work of the ad hoc working group of the General Assembly on the same issue. The working group submitted its recommendations to the General Assembly, which were adopted in Assembly resolution 57/270 B. By the same resolution, the Assembly also decided to include an item under the same title in the provisional agenda of its fifty-eighth session.

2. By its resolution 2003/6, the Economic and Social Council decided to take the necessary steps for the effective implementation of the provisions of Assembly resolution 57/270 B that were relevant to the work of the Council and its subsidiary machinery and to keep the implementation under review. It also requested the Secretary-General to update his above-mentioned report and recommendations in the light of resolution 57/270 B and to submit it for consideration by the Council at its next substantive session.

3. Meanwhile, the Secretary-General submitted a report outlining the overall approach and core elements for the integrated and coordinated follow-up to conferences and summits (A/58/359).

II. Introduction

4. The summits and conferences of the last decade succeeded in generating global consensus on policies and actions to advance poverty eradication and sustainable development and in giving renewed relevance to the work of the United Nations in the economic, social and related fields, and to its mission to guide and harmonize policies for development. These conferences and summits marked the first crucial phase in the process of bringing development issues to the forefront of the multilateral agenda.

5. In 1995, the Economic and Social Council initiated work on an integrated approach to conference follow-up by focusing on the common themes of the conferences, as a means to enhance the impact of the follow-up activities and to optimize results. By creating a new platform for convergence on principles, objectives and coordinated action, and by turning global consensus into specific goals and time-bound targets, backed by political commitment at the highest level, the Millennium Summit marked a major new turning point in this process. While the Millennium Development Goals do not encompass all conference goals and commitments, together with the United Nations Millennium Declaration (General Assembly resolution 55/2), they provide the United Nations system, Governments and other relevant stakeholders with a basic common framework for promoting mutually reinforcing actions.

6. The holding of two major conferences in 2002, the International Conference on Financing for Development (Monterrey, Mexico, 18-22 March 2002) and the World

Summit on Sustainable Development (Johannesburg, South Africa, 26 August-4 September 2002), marked yet another phase in this process. The outcomes of both conferences had a major focus on the achievement of internationally agreed development goals, including those contained in the Millennium Declaration. The conferences reinforced the widely shared need to ensure a sharper focus on implementation, to move from principles and commitments to action, and for the intergovernmental bodies of the United Nations to commit themselves to working in a coherent and coordinated way to support conference implementation. The need was recognized for a close link between policy development at the intergovernmental level and operational work undertaken at the country level by the funds, programmes and specialized agencies of the United Nations system, the Bretton Woods institutions and other relevant organizations, and for the active involvement of relevant stakeholders in the implementation process.

7. The adoption of General Assembly resolution 57/270 B was an important step in providing a framework for bringing architectural coherence to the various implementation processes while maintaining the distinct identity of the follow-up processes for each of the outcomes. The resolution provides tools to better coordinate global, regional and national development activities and to link together these processes in order to optimize mutual reinforcement in the pursuit of the internationally agreed development goals, including those contained in the Millennium Declaration.

8. Resolution 57/270 B, among other things, emphasizes the need to ensure a stronger link between policy guidance and implementation activities throughout the United Nations system. In this context, the respective governing bodies of the funds and programmes will have an important role to play in ensuring that relevant policy decisions are integrated into the programme of work of the funds and programmes. The Economic and Social Council will also have a role in the exercise of its oversight responsibilities vis-à-vis these entities as well as promoting these linkages through its own work and the work of its subsidiary bodies. The resolution contains a number of provisions that specifically relate to the work of the Council, its functional commissions and its overall role in coordination. As mandated by Council resolution 2003/6, the present report focuses on the implementation of those provisions of Assembly resolution 57/270 B that are relevant to the work of the Council and its subsidiary machinery.

III. Implementing General Assembly resolution 57/270 B

A. Promoting an integrated and coordinated approach

1. Reviewing implementation through cross-sectoral themes

9. The General Assembly has decided that the Economic and Social Council should review by means of a cross-sectoral approach the progress in the implementation of the outcomes of the major United Nations conferences and summits and their follow-up processes. To that end, in paragraph 42 of its resolution 57/270 B, the Assembly requested the Council to establish, no later than 2004, a multi-year work programme for the coordination segment of its substantive session, based on a focused and balanced list of cross-sectoral thematic issues common to the outcomes of major United Nations conferences and summits, including the

objectives, goals and targets of the Millennium Declaration. According to the resolution, the multi-year programme would also increase predictability in the Council's work, enabling the United Nations system and relevant stakeholders to better prepare their contributions to the deliberations.

10. In its resolution 2003/6, the Council welcomed the above-mentioned request and expressed, in this regard, its determination to finalize the list of cross-sectoral thematic issues and multi-year work programme for its coordination segment, with an aim of reaching a decision before the substantive session of 2004, and invited the Bureau to initiate informal consultations on the topic by January 2004. Informal consultations led by a Vice-President of the Council are currently under way and the result of these consultations will be reported to the Council in due course.

2. Greater thematic unity and interlinkages between segments

11. In its agreed conclusions 2002/1, the Council decided that the themes of its high-level and coordination segments should be closely related. Such linkages would not only enhance the impact of its work on the United Nations system but also link more closely policy formulation with the process of implementation. In paragraph 43 of Assembly resolution 57/270 B, it was again underlined that the themes of the high-level and coordination segments should be related with each other. Accordingly, the Council focused its 2004 high-level and coordination segments on themes related to the least developed countries. The 2004 high-level segment theme will be "Resources mobilization and enabling environment for poverty eradication in the context of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010", and one of the themes for its 2004 coordination segment will be "Coordinated and integrated United Nations system approach to promote rural development in developing countries, with due consideration to least developed countries, for poverty eradication and sustainable development".

12. To further enhance linkages between policy guidance and coordination, in 2004 the high-level and coordination segments will be held in quick succession. This is intended to facilitate the participation of high-level policy makers in the coordination segment and contribute to strengthening coherence in the processes of policy formulation and implementation.

Recommendation

13. **The Council may wish to consider giving greater thematic coherence to its substantive session by organizing all segments around various aspects of a theme or around closely related themes.**

B. Guiding functional commissions to focus on implementation

1. Update on the review by functional commissions of their working methods

14. The functional commissions have a key role in pursuing the implementation of the outcomes of the conferences and summits. Recognizing this role, the World Summit on Sustainable Development called on the Commission on Sustainable Development to place more emphasis on actions that enable implementation at all levels.

15. In response to the mandate provided by the World Summit on Sustainable Development, the Commission on Sustainable Development, at its eleventh session, in 2003, took innovative steps to reform its working methods. It decided to organize its work in a series of two-year action-oriented implementation cycles and adopted a programme of work for a number of cycles in the next decade. During the first year, the Commission would review progress in implementing the outcomes of the United Nations Conference on Environment and Development, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development. In the second year, the Commission would take policy decisions on practical measures to overcome obstacles to implementation identified in the previous year. The Commission also decided to strengthen implementation at the regional level, particularly through the regional commissions.

16. The cycle came into operation for the first time at the Commission's twelfth session, in 2004. It was a session characterized by a number of innovations. For the first time, thematic reviews were conducted through interactive discussions, regional discussions were co-organized by the Commission secretariat and the regional commissions, partnerships fairs were held and learning centres were convened to promote exchange of experience. The outcomes of the meeting were captured in the Chairman's summary, which will provide the basis for work during the policy session (thirteenth session). The twelfth session was generally regarded as a good beginning.

17. In its resolution 57/270 B, the Assembly requested each functional commission to examine its methods of work in order to pursue better the implementation of the outcomes of the major United Nations conferences and summits, recognizing that there was no need for a uniform approach since each functional commission had its own specificity, while also noting that modern methods of work could better guarantee the review of progress made in implementation at all levels, on the basis of a report with recommendations to be submitted by the Secretary-General to each functional commission and relevant subsidiary bodies of the Economic and Social Council on their methods of work, in accordance with the provisions defined by the respective outcomes and relevant decisions taken by each body, bearing in mind the progress recently achieved in this regard by certain commissions, especially the Commission on Sustainable Development. The functional commissions and other relevant bodies of the Economic and Social Council should report to the Council no later than 2005 on the outcome of that examination.

18. The Secretary-General has prepared separate reports with recommendations for consideration by the Commission for Social Development, the Commission on the Status of Women and Statistical Commission, in which, inter alia, he encouraged the functional commissions to produce more focused outcomes on priority themes, adopt biennial programmes of work, involve the entities of the United Nations system, seek increased contributions of regional commissions in their work, strengthen linkages with other functional commissions, engage and facilitate the active participation of civil society and the private sector in their work and consider how they might wish to contribute to the "major event" in 2005[1] called for in the resolution.

19. At its forty-second session, in February 2004, the Commission for Social Development held an initial exchange of views on the report of the Secretary-General covering various aspects of its working methods and decided to continue

consideration of those issues in 2005. At the forty-eighth session of the Commission on the Status of Women, it was noted that progress had already been made in revising the Commission's methods of work and the Bureau was requested to continue considering the methods of work of the Commission before its forty-ninth session, in 2005. At its thirty-fifth session, the Statistical Commission asked its Bureau to conduct an examination of the working methods of the Commission in support of coordinated follow-up to United Nations conferences and summits and submit the outcome of that examination to the Commission at its thirty-sixth session. The Commission on Population and Development decided to consider its methods of work at its thirty-eighth session, in 2005, and requested the Secretary-General to submit a report to the Commission. The Commission on Human Rights considered the recommendations made by the expanded Bureau on further improving the organization of work and decided to continue review and discussion of its rules and practices at its sixty-first session. The Commission on Narcotic Drugs has been reviewing its working methods since its forty-sixth session, in November 2003, and will continue working on those issues.

20. The Commission on Crime Prevention and Criminal Justice and the Commission on Science and Technology for Development were scheduled to meet in May 2004 and were expected to discuss their working methods in pursuance of resolution 57/270 B. The United Nations Forum on Forests will undertake review of its working methods in 2005 as part of the comprehensive five-year review.

Recommendations

21. **The Council may wish to invite its functional commissions and other relevant subsidiary bodies to continue to examine their methods of work in order to better pursue the implementation of the outcomes of major United Nations conferences and summits with a view to submitting their reports by 2005.**

22. **The Council may wish to request the Commission on Sustainable Development to share its experience and lessons learned at the completion of its first cycle, in 2005.**

2. Improving linkages with the functional commissions on coordinated implementation and follow-up

23. The linkages between the Council and its functional commissions can be strengthened through more focused reporting by the commissions and more focused dialogue among the bureaux.

24. The nature and quality of reporting from functional commissions and other bodies to the Council needs further attention. Reports are still too long and substantive policy issues are usually submerged in process details. In turn, the Council expends a great deal of time and energy considering process issues while strategic direction and guidance should be the focus of its deliberations. Its Bureau recently issued guidelines for documentation for the Council and its subsidiary bodies. Those guidelines are drawn mostly from extant legislation in the General Assembly and the Council, and incorporate further steps to help bring to manageable proportions and give greater focus to the documents submitted to the Council by its subsidiary bodies. The commissions need to clearly identify the issues that are

critical for promoting integrated and coordinated implementation of and follow-up to conferences.

25. The consolidated reports of the Secretary-General on the work of the functional commissions is also relevant in this regard as a vehicle for making the Council's coordinating role more effective by identifying major policy issues emerging from the work of the commissions that need a coordinated response by the United Nations system.

26. The dialogue between the Council and the functional commissions through meetings between the bureaux of the functional commissions and the Bureau of the Council as well as the participation of the chairpersons of the functional commissions in the Council's session, have also helped to improve communication between the Council and its subsidiary bodies. Future meetings could focus on strategic issues and help to further clarify the role of each body in conference follow-up.

Recommendation

27. **The Council may wish to further encourage functional commissions to adhere to the guidelines regarding their reports to the Council. In so doing, the Council may wish to decide that the commissions should identify more clearly issues that require a coordinated United Nations system-wide response, especially areas in which the Council could provide guidance to the programmes, funds and agencies.**

C. Promoting a coordinated United Nations system support to conference implementation

1. Strengthening linkages with operational activities of the United Nations system

28. A coherent approach to integrated follow-up requires that the work of the executive boards of the funds and programmes should be closely linked with the overall policy guidance of the General Assembly and the system-wide coordination by the Council in implementing this guidance. To that end, a closer link needs to be built between the Council and the executive boards of funds and programmes. In its resolution 1998/27, the Council specifically requested the executive boards and executive heads of the United Nations funds and programmes to focus their 12 reports to the Council on issues related to conference follow-up, cross-sectoral coordination and the consolidated list of issues for improved coordination of operational activities.

29. So far, reports from the United Nations funds and programmes to the Council have tended to be more informational than analytical and the role of the Council has been limited to taking note of those reports. Joint meetings of the Boards have also been held, and issues relating to their contributions to the policy dialogue with the Council and their implications for the Council's policy coordination role are addressed in a separate report before the Council.

30. In a related decision, in paragraph 13 of its resolution 57/270 B, the Assembly invited the Administrator of the United Nations Development Programme, in his capacity as the chair of the United Nations Development Group (UNDG), to present on a regular basis to the Council at is coordination segment the activities carried out

by UNDG related to the integrated and coordinated implementation of the outcomes of the conferences. UNDG will provide a review of its activities to the Council for the first time in 2004.

31. In paragraph 48 of resolution 57/270 B, the Assembly invited the functional commissions to consider, in their deliberations, the experience gained and lessons learned by the United Nations funds and programmes in the implementation of the outcomes of the major United Nations conferences and summits.

32. To that end, the Secretary-General, in his reports to the functional commissions on their methods of work, made several recommendations. For example, the Secretary-General invited the Commission for Social Development to encourage and seek more active participation and involvement in its work by the funds and programmes. The Secretary-General also suggested that the Commission on the Status of Women develop ways and means to encourage increased involvement by the entities of the United Nations system, particularly to enhance its catalytic and monitoring focus on mainstreaming gender perspective. There is certainly scope for greater interaction between the commissions and the executive boards of the funds and programmes.

Recommendation

33. **The Council may wish to request all its subsidiary bodies, including the executive boards, to consider ways to strengthen their substantive linkages with the work of the Council, particularly as it relates to the coordinated implementation of Conference outcomes, and to encourage its functional commissions to enhance their interactions with the funds and programmes.**

2. Building a closer relationship with the specialized agencies and inter-agency bodies

34. To promote a consistent approach on conference goals, including the Millennium Development Goals, a closer link should be built between the governing bodies of United Nations system organizations, the General Assembly, the Economic and Social Council and the functional commissions. To that end, thematic linkages could be built into the agendas and work programmes of those bodies. Ensuring that the programmes of the organizations and bodies of the United Nations system effectively support the implementation of conference commitments and the Millennium Development Goals requires a strengthening of inter-agency interaction at not only the inter-secretariat but also the intergovernmental levels.

35. The approach being adopted by the Council to review implementation through cross-cutting themes during the coordination segments of its substantive sessions could also be considered by governing bodies of United Nations system organizations as a means to enhance their policy dialogue with the Council on the integrated and coordinated follow-up to United Nations conferences and summits.

36. More systematic interactions between the Economic and Social Council and the United Nations System Chief Executives Board for Coordination and its machinery also need to be devised. The policy guidance role of the Council should rely on the support of this machinery.

3. Guiding and using the work of the regional commissions on implementation and follow-up

37. In its resolution 57/270 B, the Assembly invited the regional commissions, in collaboration with other regional and subregional organizations and processes, to contribute, within their existing mandates, to the review of progress in the implementation of and follow-up to the outcomes of the major United Nations conference and summits and to provide input to the discussions of the Council on the cross-sectoral thematic issues to be discussed at its substantive session.

38. Earlier, the regional commissions have been given specific mandates from the Council on follow-up to the major global conferences. In its resolution 1998/46, the Council invited the regional commissions to further strengthen their active participation in implementation at the regional level of the results of major United Nations conferences and summits. The Council's guidance took into account (a) the convening power of the regional commissions to bring together different categories of development actors (member States, regional and subregional organizations, NGOs and the business community); (b) their capacity to organize events at which countries can share common concerns and expectations, exchange experience and discuss a wide range of policy issues; (c) their multisectoral nature, placing them in a position for promoting cross-sectoral approaches; and (d) their direct contact with national statistical offices, offering a basis for monitoring progress achieved through comparable data series and indicators.

39. The regional commissions have been increasingly strengthening their role in linking global deliberations with regional implementation measures, while continuing to support subregional and regional integration and consensus-building. Their roles have received recognition at United Nations conferences and summits. At the World Summit on Sustainable Development, in particular, it was emphasized that its outcome documents should be implemented at the regional level as well. The significance of a regional perspective in the future work of the Commission on Sustainable Development was also underlined at the Summit.

40. At its eleventh session, the Commission on Sustainable Development invited the United Nations regional commissions to contribute to its work, notably by organizing regional implementation meetings, in collaboration with its secretariat, other regional and subregional organizations and regional offices of United Nations system organizations. The regional commissions organized meetings prior to the twelfth session of the Commission and regional forums during the session in collaboration with the Department of Economic and Social Affairs of the United Nations Secretariat.

41. The Monterrey Consensus of the International Conference on Financing for Development (para. 63) also encouraged actions to promote the role of the regional commissions and the regional development banks in supporting policy dialogue among countries at the regional level on macroeconomic, financial, trade and development issues.

42. The potential contribution of regional processes to the integrated follow-up to conferences has yet to be fully exploited. In addition to assessing the achievement of internationally agreed goals at sessions of the commissions, other formats for regional reviews would be feasible, including special events, possibly held back to back with the sessions of the commissions or of their relevant subsidiary

committees. Synergies and cross-fertilization should be maximized between work at the regional and global levels. The commissions could look at selected cross-cutting themes that require more regional coordination and attention and share the experience of regional reporting on the Millennium Development Goals. Integrated and coordinated implementation at the regional level also requires more effective inter-agency cooperation and coordination. The inter-agency regional coordination meetings provide instruments to further cooperation and build partnerships within the United Nations system. In that context, the Economic Commission for Africa continues to work towards greater United Nations coherence as the system's key interlocutor with African countries on the New Partnership for Africa's Development.

43. The regional commissions have strategic advantages for intersectoral and multi-stakeholder dialogues at the regional level. They could further promote regional partnership with both civil society and the private sector, especially in areas where more regional cooperation and attention are required.

Recommendations

44. **The Economic and Social Council may wish to:**

(a) **Stress the role of the regional commissions as a regional focal point for monitoring and assessing the progress made towards the achievement of internationally agreed development goals, including the Millennium Development Goals, bearing in mind regional priorities;**

(b) **Request strengthened coordination between the regional commissions and regional programmes of United Nations entities, the specialized agencies, the Bretton Woods institutions and regional development banks. This should involve the regional coordination meetings established by Council resolution 1998/46;**

(c) **Encourage greater cooperation between the regional commissions and its functional commissions, for example, through convening regional meetings on relevant issues and the adoption of regional plans of action;**

(d) **Request regional commissions to enhance their role in supporting the achievement of internationally agreed development goals, including through an integrated approach in their work and relevant processes;**

(e) **Regional commissions should address regional dimension of cross-cutting themes emerging from the outcomes of major United Nations conferences and summits.**

4. Improving the contribution of non-governmental organizations and the private sector to the work of the Economic and Social Council

45. Institutional stakeholders, advocacy and interest groups, business and other major groups, as well as research and academic institutions, inject dynamism into the intergovernmental process and facilitate informed decision-making. Their presence helps in generating greater awareness of the work of the United Nations. The Monterrey, Johannesburg and other United Nations conferences and summits have been major sources of innovative arrangements to enhance partnership and alliance-building with non-state actors. To ensure effective and broad-based

implementation, non-state actors need to be integrated into the follow-up mechanism working in partnership with Governments and international organizations. The innovative modalities of cooperation established in the preparation of the Johannesburg and Monterrey conferences must be built upon in the implementation phase. In paragraph 21 of its resolution 57/270 B, the Assembly underlined the importance of the contribution of civil society, including non-governmental organizations and the private sector, to the implementation of the conference outcomes.

46. While respecting the intergovernmental character of the Organization, the deliberative processes of the Council and its functional commissions can facilitate the building of alliances for action around key goals and commitments, modelled along the lines of the Joint United Nations Programme on HIV/AIDS (UNAIDS), the Global Alliance for Vaccines and Immunization, the Global Fund for HIV/AIDS, Tuberculosis and Malaria, the Information, Communication Technologies Task Force, and the Public-Private Alliance on Rural Development.

47. A consistent effort must be made by the United Nations system to engage all relevant stakeholders in countries, using to the best the comparative advantage of each. Diverse participation should be encouraged, especially by developing countries, and the involvement of NGOs should be increased, including through regional/national networks.

48. The Secretary-General's Panel of Eminent Persons on Civil Society and United Nations Relationships is in the process of finalizing its findings and recommendations on this whole issue of United Nations and civil society contributions.

D. Strengthening the relationship with financial and trade institutions

1. Building greater coherence, coordination and cooperation through the special high-level meeting of the Council with the Bretton Woods institutions and the World Trade Organization

49. The special high-level meetings with the Bretton Woods institutions and the World Trade Organization have provided a unique forum to promote coherence, coordination and cooperation in the areas of investment, trade, official development assistance, debt, systemic issues and development cooperation. The Monterrey Consensus engaged all institutional stakeholders in the follow-up process. The preparatory activities related to the meeting are also contributing to strengthening institutional linkages and to promote better understanding of different perspectives on the issue of financing for development.

50. The 2004 special high-level meeting with the Bretton Woods institutions, the World Trade Organization and — beginning in 2004 — the United Nations Conference on Trade and Development (UNCTAD) focused on the overall theme "Coherence, coordination and cooperation in the context of the implementation of the Monterrey Consensus". Selection of specific themes, i.e., the impact of private investment and trade-related issues on financing for development, the role of multilateral institutions in achieving the Millennium Development Goals, and debt sustainability and debt relief, which resonated with ongoing debate in the trade and

finance institutions and in the Assembly and the Council, helped to link the discussions in various institutions.

51. Another important innovation in 2004 was the participation of the President of the Trade and Development Board of UNCTAD, who was invited in pursuance of General Assembly resolutions 57/270 B and 57/230. It was the first time that the intergovernmental side of UNCTAD was engaged in this meeting.

52. All institutional stakeholders, particularly the intergovernmental bodies of the Bretton Woods institutions, have shown growing interest in this forum, which was evident from the participation of a large number of executive directors at the 26 April 2004 meeting. While the meeting has led to greater dialogue among the institutions, there is a need to ensure that deliberations at this meeting have a concrete impact on the work of those institutions, particularly on issues that are at the intersection of the various chapters of the Monterrey Consensus.

Recommendation

53. **The Council may wish to request the President and the members of the Bureau to explore ways and means of enhancing the impact of the deliberations of the special high-level meeting on the work of the respective institutions.**

2. Improving further the impact of the high-level segment and of the dialogue with heads of financial and trade institutions

54. The high-level segment of the Council plays an important role in providing political impetus for building areas of convergence, supporting and supplementing the policy development role of the General Assembly. The segment aims to address major topical themes related to economic and social policy as well as international cooperation in the economic, social and related fields. The Council has effectively demonstrated its ability to engage high-level policy makers, the United Nations system and other actors. This potential needs to be exploited further. The power to convene should be used to attract ministers and policy makers from various sectors that are equipped to deal with various cross-sectoral issues. It should become an annual forum for reviewing the progress made in the implementation of the internationally agreed development goals, including the Millennium Development Goals. While deciding the theme for the high-level segment, the Council may wish to highlight this dimension.

55. The Council's one-day policy dialogue with heads of financial and trade institutions has a distinct role in comparison to its special high-level meeting with the Bretton Woods institutions and the World Trade Organization. The special meeting, as reconstituted after the International Conference on Financing for Development, is the occasion for intergovernmental dialogue, focused on coherence, coordination and cooperation in implementing the broad agenda agreed upon at Monterrey. The one-day policy dialogue is the occasion for the Secretary-General and the heads of UNCTAD, the World Bank, the International Monetary Fund and the World Trade Organization to discuss important developments in the world economy and international development cooperation.

56. It thus provides significant opportunity to discuss the impact of the world economic situation on the realization of the goals of sustained economic growth, sustainable development and poverty eradication and how the system can and should

respond to the global economic situation. In the coming years, the dialogue could focus on various dimensions of globalization and how to address the challenges posed by that phenomenon.

Recommendation

57. **The Council may wish to consider focusing its annual high-level policy dialogue on various dimensions of globalization and how to make it work towards the realization of the development goals.**

E. Complying with specific mandates given to the Council

1. World Summit on Sustainable Development

58. The Plan of Implementation of the World Summit on Sustainable Development (Johannesburg Plan of Implementation) called for greater involvement of the Council in sustainable development-related work and outlined the role it could play in the follow-up to the Summit. It was agreed that the Council could, inter alia, organize periodic consideration of sustainable development themes in regard to the implementation of Agenda 21, including the means of implementation. Recommendations in regard to such themes could be made by the Commission on Sustainable Development and could make full use of its high-level, coordination, operational activities and general segments in order to effectively take into account all relevant aspects of the work of the United Nations on sustainable development.

59. In its resolution 2003/61 on future programme, organization and methods of work of the Commission on Sustainable Development, the Council decided to organize the periodic consideration of sustainable development themes with regard to the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation, including the means of implementation, and invited the Commission to submit recommendations to the Council with regard to such themes.

60. To review the contribution of the United Nations system in the implementation of the Johannesburg Plan of Implementation, the Council could devote one of its coordination segments to a theme related to sustainable development and the follow-up to the Summit.

Recommendation

61. **In pursuance of the mandate given by the World Summit on Sustainable Development, the Council may wish to consider devoting one of its segments to the sustainable development related issues, focusing on the role of the system in the follow-up to the Johannesburg Plan of Implementation.**

2. International Conference on Financing for Development

62. The Monterrey Consensus encouraged the United Nations, the World Bank, the International Monetary Fund and the World Trade Organization to address issues of coherence, coordination and cooperation as a follow-up to the Conference, at the spring meeting between the Economic and Social Council and the Bretton Woods institutions. The meeting should include an intergovernmental segment to address an

agenda agreed to by the participating organizations, as well as a dialogue with civil society and the private sector.

63. As mandated by the Monterrey Consensus, the special high-level meeting of the Council with the Bretton Woods institutions and the World Trade Organization, held on 26 April 2004, focused on the theme of coherence, coordination and cooperation. Following wide-ranging consultations, the Council and other institutional stakeholders also selected specific themes for focused discussions during the six round-table meetings. For the first time, the President of the Trade and Development Board of UNCTAD participated in the meeting.

64. As stipulated by the Monterrey Consensus, informal hearings were held with NGOs and the private sector almost one month prior to the meeting. Not only were summaries of the hearings made available but NGO and private-sector representatives were invited to present their views to the meeting.

65. The level of participation and the active engagement of all the institutions were encouraging but there was a widely shared need for enhancing the impact of this meeting on the steps being taken to implement the Monterrey Consensus. The meeting could be more sharply focused on substantive issues and there could be a follow-up interaction between Council members and relevant entities of the Bretton Woods institutions and the World Trade Organization.

3. Third United Nations Conference on the Least Developed Countries

66. The Assembly and the Council were identified in the Brussels Programme of Action for the Least Developed Countries for the decade 2001-2010 as key United Nations bodies for the review of the implementation of the Programme by the least developed countries and their development partners within the integrated and coordinated follow-up to and the implementation of the United Nations major conferences and summits.

67. In its decision 2001/320, the Council established the sub-item "Review and coordination of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010" under its regular agenda item entitled "Integrated and coordinated implementation of and follow-up to the major United Nations conferences and summits".

68. In 2004, two of the four segments of the Council's subsantive session (high-level and coordination segment) will address themes that are related to least developed countries issues. This is part of the Council's efforts to pursue a coherent and comprehensive approach to the review of the implementation of the Programme of Action. All preparatory activities (a series of multistakeholder round tables on resources mobilization and enabling environment for poverty eradication) for the high-level segment held in February and March 2004 were geared to examining the theme of the high-level segment in the context of the Brussels Programme of Action as a means of achieving the Millennium Development Goals in the least developed countries. The Council's special high-level meeting with the Bretton Woods institutions and the World Trade Organization also addressed issues related to least developed countries/low-income countries and promoted linkage between the Programme of Action and the International Conference for Financing for Development.

69. Given that the Programme of Action is a framework for partnerships, the role of civil society, NGOs and private sector in the review of its implementation has been crucial. During both the 2003 general segment and in preparation for the 2004 high-level segment, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the Council secretariat organized a number of regional events and a global forum with their active involvement.

Recommendation

70. **The Council may wish to consider launching a global alliance of partnership initiatives related to the follow-up to the Brussels Programme of Action for the Least Developed Countries 2001-2010, as this would help in promoting coordinated implementation.**

4. Almaty Programme of Action: addressing the special needs of landlocked developing countries within a new global framework for transit transport cooperation

71. The International Ministerial Conference to address the special needs of landlocked developing countries was held in August 2003 and it adopted the Almaty Programme of Action and Almaty Declaration. The Programme of Action is action-oriented and focused and calls for measurable specific actions in five priority areas: (a) fundamental transit policy issues, (b) infrastructure development, (c) international trade and trade facilitation, (d) international support measures, and (e) implementation and review. Since different United Nations specialized agencies, the regional commissions and other international, regional and professional organizations are specialized in different aspects of establishing efficient transit transport systems, well coordinated and coherent follow-up activities are vital for the effective implementation of the Programme of Action. Pursuant to paragraph 49 of the Programme of Action, the Assembly will conduct a comprehensive review of its implementation in accordance with its resolution 57/270 B. At the same time, the active involvement of United Nations agencies, funds and programmes, the regional commissions and other relevant organizations in the implementation of and follow-up to the Programme of Action is called for in the Programme of Action. The review by the Assembly of the implementation of the Programme of Action should therefore be closely linked to and coordinated with the Council and its subsidiary bodies, including the functional commissions.

Recommendation

72. **The Council may wish to request its subsidiary bodies to promote, as relevant, the implementation of the Almaty Programme of Action.**

F. Contribution of the Council to the high-level plenary meeting of the General Assembly in 2005

73. In paragraph 75 of its resolution 57/270 B, the Assembly stressed that there was scope for a major event in 2005, possibly a comprehensive review, bearing in mind that it had decided to review in 2005 the progress achieved in implementing all

the commitments made in the Millennium Declaration, on the basis of a comprehensive report of the Secretary-General.

74. In its resolution 58/291, the Assembly decided to convene in 2005, at the commencement of the sixtieth session of the General Assembly, a high-level plenary meeting of the Assembly with the participation of heads of State and Government. This major event is expected to undertake a comprehensive review of the progress made (a) in the fulfilment of all the commitments contained in the Millennium Declaration, including the internationally agreed development goals and the global partnership required for their achievement, and (b) in the integrated and coordinated implementation, at the national, regional and international levels, of the outcomes and commitments of the major United Nations conferences and summits in areas related to economic and social issues. The Assembly has requested the Secretary-General to submit to it at its fifty-ninth session a report on the suggested modalities, format and organization of this major event for its consideration and final decision, taking into account the open-ended consultations to be carried out by the President of the Assembly.

75. In addition to this review, the Assembly is scheduled to hold in 2005 the biennial high-level dialogue on financing for development. While planning for that high-level plenary, there is a need to ensure that those three elements — the implementation of conference outcomes, follow-up to the Millennium Declaration and the issue of financing for development — are brought together in a flexible yet coherent manner. Decision on the timing of holding the dialogue and the high-level plenary meeting should take into account the need to promote greater engagement among high-level policy makers dealing with various dimensions of development.

76. The Council and its subsidiary machinery can play an important role in the lead to the high-level plenary in 2005. The Council could be asked to contribute to the review of the implementation of the Millennium Declaration by focusing on the progress achieved in the implementation of the Millennium Development Goals. The subsidiary bodies of the Council, particularly the functional commissions, could also contribute to that exercise by focusing on the various aspects of the development goals that are relevant to their areas of activity.

Recommendations

77. **The Secretary-General has recommended the theme "Achieving the development goals of global conferences, including the Millennium Development Goals — challenges and opportunities" for the 2005 high-level segment of the Council, which the Council may wish to adopt in order to make a substantive contribution to the high-level meeting of the General Assembly.**

78. **The Council may wish to request its functional commissions and other relevant subsidiary bodies to contribute to the high-level segment and other segments of its substantive session of 2004 dealing with the themes related to the high-level plenary of the General Assembly in 2005.**

Notes

[1] In its resolution 58/291, the General Assembly decided to convene, in 2005, a high-level plenary meeting of the General Assembly with the participation of heads of State and Government.

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Assistance to third States affected by the application of sanctions

Note by the Secretary-General

1. In paragraph 8 of its resolution 58/80, the General Assembly took note of the decision of the Economic and Social Council, in its resolution 2000/32, to continue its consideration of the question of assistance to third States affected by the application of sanctions; invited the Council, at its organizational session for 2004, to make appropriate arrangements for this purpose within its programme of work for 2004; further invited the Council to continue its consideration of the question of assistance to third States affected by the application of sanctions; and decided to transmit the most recent report of the Secretary-General on the implementation of the provisions of the Charter of the United Nations related to assistance to third States affected by the application of sanctions, together with the relevant background materials, to the Council at its substantive session of 2004.

2. Pursuant to the provisions of Council resolution 2000/32 and Assembly resolution 58/80, the report of the Secretary-General on the implementation of the provisions of the Charter of the United Nations related to assistance to third States affected by the application of sanctions (A/58/346) will be made available to the Council at its substantive session of 2004.

* E/2004/100.

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Implementation of and follow-up to major United Nations conferences and summits: follow-up to the International Conference on Financing for Development

Summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the Bretton Woods institutions and the World Trade Organization (New York, 26 April 2004)

I. Introduction

1. The special high-level meeting of the Economic and Social Council with the Bretton Woods institutions and the World Trade Organization was held on 26 April 2004. The overall theme of the meeting was "Coherence, coordination and cooperation in the context of the implementation of the Monterrey Consensus". The meeting had before it a note by the Secretary-General (E/2004/50) providing background information and raising a number of questions.

2. The 2004 meeting was preceded by extensive consultations within the Economic and Social Council, and between the members of the Bureau of the Council and the management of the Bretton Woods institutions and the World Trade Organization, as well as separate meetings with Executive Directors of the International Monetary Fund (IMF) and the Executive Board of the World Bank. The President of the Council also met with the Chairman of the General Council of the World Trade Organization and with the President of the Trade and Development Board of the United Nations Conference on Trade and Development (UNCTAD). In addition, the Bureau of the Council held a videoconference with the President of the Trade and Development Board. The agenda and the format of the special high-level meeting were discussed and mutually agreed upon at the above meetings. The consultations resulted in agreement on three sub-themes that were the focus of substantive discussions in the six round tables that took place during the meeting. The three sub-themes were: "Impact of private investment and trade-related issues

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** E/2004/100.

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on financing for development"; "Role of multilateral institutions in reaching the Millennium Development Goals"; and "Debt sustainability and debt relief". In addition, informal hearings and dialogue with members of civil society and the business sector were held from 22 to 24 March 2004. The outcome of those hearings was presented at the meeting of 26 April (see Add.1 and 2 to the present report).

3. The format of the meeting featured a brief opening plenary, followed by six parallel round tables, two for each of the three sub-themes mentioned above. The round tables consisted of interactive discussions on those three sub-themes. A resumed afternoon plenary was devoted to reporting on the discussions at the round tables and to further debate. The chairs, co-chairs and lead discussants of the round tables were: Mr. Gerrit Zalman, Minister of Finance of the Netherlands, and Mr. Rubbens Ricupero, Secretary-General, of UNCTAD, with Mr. Bruce Montador, Vice-President of the Canadian International Development Agency, as lead discussant, for round table A; Mr. Shaukat Aziz, Minister of Finance and Economic Affairs of Pakistan, and Mr. Francisco Thompson-Flores, Deputy Director-General of the World Trade Organization, with Dr. Eduardo Sojo, Coordinator of Public Policy, Mexico, as lead discussant, for round table B; Mr. Benjamin Radavidson Andriamparany, Minister of Economy, Finance and Budget of Madagascar, and Mr. Mark Malloch Brown, Administrator of the United Nations Development Programme (UNDP), with Mr. Ian Goldin, Vice-President of the World Bank, as lead discussant, for round table C; Ms. Hilde F. Jhonson, Minister of International Development of Norway, and Mr. Yahya Alyahya, Dean of the Board of the World Bank, with Mr. Pierre Duquesne, Executive Director, World Bank/IMF, as lead discussant, for round table D; Mr. Mario Alonso, Governor of the Central Bank of Nicaragua, and Mr. Willy Kiekens, Senior Executive Director of IMF, for round table E; and Mr. Anastas Anjeli, Minister of Economy of Albania, and Mr. José Antonio Ocampo, Under-Secretary-General, Department of Economic and Social Affairs, with Mr. Augustin Carstens, Deputy Managing Director, IMF, as lead discussant, for round table F.

4. The participation in this year's meeting was unique in many ways. It was the first time that a Head of State (Finland) participated in the meeting. The meeting was also attended by the President of the General Assembly and an unprecedented number of executive and alternate directors of the Boards of the World Bank and of IMF (19 from the World Bank and 8 from IMF), and the Deputy Director-General of the World Trade Organization. In addition, the President of the Trade and Development Board of UNCTAD participated for the first time, as mandated by the General Assembly. Representatives of the Chairs of the Development Committee and of the International Monetary and Financial Committee and senior officials of the United Nations, the World Bank, IMF, UNDP and other United Nations agencies also took part in the event, as well as representatives of other international bodies, including the Chairman of the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD). Other participants included ministers of finance and of development cooperation, governors of central banks and heads of international organizations, as well as high-level officials in the areas of trade, finance, development cooperation and foreign affairs (see E/2004/INF/4). Representatives of non-governmental organizations (NGOs) and the private sector also participated in the plenary meetings and round tables.

5. A summary of the opening statements and the further deliberations, structured according to the three topics addressed in the six round tables, comprising main aspects of the exchange of views and statements made at the afternoon plenary session, is set out below.

II. Opening of the meeting

6. The meeting commenced with opening remarks by the President of the Council, who welcomed the commitment of the participants and reminded them of the direct mandate of the Council to the follow-up to and implementation of the outcome of the International Conference on Financing for Development, held at Monterrey, Mexico, in 2002. The Secretary-General, in his address to the meeting, referred to the need to keep the Monterrey follow-up process alive and strong and invited participants to reflect on how to enhance coherence, coordination and cooperation in the vital areas highlighted in his note before the Council (E/2004/50).

7. The President of the General Assembly stressed the importance of pursuing the partnership approach that was at the centre of the Monterrey Consensus in order to ensure a frank and open exchange of views on the progress made in various areas related to financing for development. In view of "the mixed report card" obtained so far, further efforts were needed to address the various issues of the Monterrey agenda in a more coherent fashion, in particular those related to trade, debt and official development assistance.

8. The representatives of the chairs of the Development Committee (Minister of Finance of Nigeria) and of the International Monetary and Financial Committee (Deputy Managing Director of IMF) highlighted the main aspects of the respective communiqués of the 2004 spring meetings of those committees, held on 24 and 25 April. The communiqué of the Development Committee focused primarily on achieving the Millennium Development Goals, based on the findings of the joint World Bank/IMF publication, *Global Monitoring Report 2004: Policies and Actions for Achieving the Millennium Development Goals and Related Outcomes*, as well as the issue of long-term debt sustainability in low-income countries. The Communiqué of the International Monitoring and Finance Committee focused on sustaining the recovery of the global economy and financial markets, enhancing IMF support to low-income member countries as well as crisis prevention and IMF surveillance across its membership.

9. The President of the Trade and Development Board emphasized that UNCTAD, as the focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development, was pre-eminently placed to examine those issues and to build consensus for reformulation of policies in a globalizing world from a development perspective. He also outlined UNCTAD's views on developments in the world economy and described the organization's ongoing work in the areas of investment, debt and trade.

10. The Chairman of the Group of 77 focused on what he described as the imbalances in the globalization process and on the need for the process to be of greater benefit to developing countries. In that context, he called for progress on various issues of particular interest to developing countries, such as enhancing their voice and participation in the decision-making processes of the Bretton Woods

institutions, preserving the development content of the Doha round of trade negotiations of the World Trade Organization and fostering multilateralism. In addition, he emphasized the link between market access in trade, debt sustainability and achieving the Millennium Development Goals.

11. The Presidency of the European Union stressed the importance of reinforcing coherence, coordination and cooperation between the relevant international organizations, including at the national level in integrating finance, trade and development policies within the context of achieving the Millennium Development Goals. The Presidency also highlighted the efforts of the European Union to fulfil the commitments on official development assistance made at the Monterrey Conference, as well as steps taken by its member States in areas such as trade and debt relief to help developing countries achieve the Millennium Development Goals.

12. The President of Finland, who addressed the heads of delegations at a luncheon hosted by the President of the Council, drew attention to the World Commission on the Social Dimension of Globalization, established by the International Labour Organization (ILO), and its recently published report, *A Fair Globalization: Creating Opportunities for All*. The speaker underscored the need for job creation, which would be in the interest of all countries, and called for employment to be made a universal development goal.

III. Impact of private investment and trade-related issues on financing for development

13. Several ministers and representatives emphasized the key role of good governance in both encouraging local investment and attracting overseas investment. A dynamic private sector was a critical factor in economic growth and poverty alleviation. For the private sector to thrive, sound legal and regulatory systems, transparency and accountability of both private and public institutions, macroeconomic stability, peace and security were necessary.

14. Support for enterprise development was important, including agricultural and rural enterprises. Institutional and physical infrastructure, in particular an efficient domestic capital market, were main elements in the creation and development of productive enterprises. Enhanced information on opportunities and legal requirements for the establishment of new activities in various sectors could assist potential investors. A number of participants mentioned that risk tended to inhibit investment and referred, in particular, to three types of risk: exchange rate risk, political risk and the possibility that government contracts might not be honoured. A new credit line had been created by some donors and the Multilateral Investment Guarantee Agency to mitigate the last two forms of risk for foreign investors in several African countries. Some representatives pointed out that enhancing institutional infrastructure as well as risk mitigation measures presented special problems for post-conflict countries, for which it would be necessary to explore modalities to provide assistance.

15. A number of speakers indicated that national public and private as well as foreign investors should recognize social responsibility and accept social accountability. There was a need to step up measures to avoid tax evasion by corporations through practices such as transfer pricing. More generally, according to

many speakers, corruption at the national and international levels had to be tackled effectively. The recent United Nations Convention against Corruption was a step in the right direction.

16. The key role of small and medium-size enterprises as an engine of growth was emphasized by various participants. There was a need to promote and nurture these enterprises with adequate legislation as well as to enhance their access to finance and technical expertise. In this context, the important contribution of women in support of, and as part of, private sector development was highlighted. Micro-credit could also play an important role. In more general terms, harnessing available human and domestic financial resources to support economic growth and development was critical for sustained progress in poverty eradication.

17. A number of representatives stressed that physical infrastructure was paramount to create and maintain an enabling environment for domestic and foreign investment and to strengthen international trade. Several participants indicated that enhancing public/private partnerships could be an important instrument to strengthen the infrastructure of developing countries. Other speakers noted the need to reconsider the way that spending on infrastructure is presented in fiscal accounts in order to ensure that essential infrastructure projects, which provide a high rate of return in the long run, are not adversely affected by rigid budget targets or fiscal tightening.

18. In some countries, workers' remittances were now larger than aid flows or foreign direct investment. At the global level, remittances were continuing to grow rapidly, largely exceeding total official development assistance. Several representatives pointed out that both host and recipient countries need to implement measures to enhance the flow of remittances and reduce related costs. At the same time, recipient countries should facilitate putting an increased share of these resources to productive use.

19. Most speakers highlighted the importance of effective progress in the multilateral trade negotiations with a view to promoting development worldwide and achieving the Millennium Development Goals. According to many representatives, international trade was the main engine for economic development. Thus, the opening of markets to the exports of developing countries was both a prerequisite for further growth and critical for export oriented domestic and foreign direct investment. Trade capacity-building was mentioned as a key factor in enhancing the gains of developing countries from trade negotiations.

20. Resource mobilization for development could be greatly enhanced by making decisive progress on the Doha development agenda. Several ministers and representatives pointed to the absence of real progress in trade negotiations. A breakthrough in agriculture was critical to moving forward in this area. Numerous analyses suggested very large gains from trade liberalization, not only for developing but also for developed countries. It was necessary to muster the required political will to make rapid progress. Other speakers reiterated the importance of placing development more prominently on the agenda of the World Trade Organization. It was noted that there was a need to reach agreement on the modalities for negotiating agriculture and market access for industrial goods as well as on preferential treatment and the so-called Singapore issues.

21. The outcome of trade negotiations implies some measure of liberalization for all parties involved. The decision of IMF, in April 2004, to create the Trade Integration Mechanism (TIM) should assist in easing the transition of many developing countries to freer trade policies. A number of representatives also emphasized the strengthening of regional trade ties among developing countries. About 40 per cent of trade of developing countries was with other developing countries, and there was still considerable potential for such trade to increase at a fast pace. Some speakers referred to the particular situations of the least developed countries, land-locked developing countries and small-island developing States, which had greater difficulty in attracting foreign investment and forging dynamic regional trade agreements among themselves. It was suggested that their special circumstances should be taken into account in the multilateral trade negotiations and that there should be special provisions tailored to their development needs.

22. In commodity-dependent developing countries, declining or high instability in commodity prices acts as a disincentive to foreign capital investment. In many of such countries, in particular African countries, debt servicing capacity and the evolution of domestic savings are closely related to the performance of the commodity sector. It is regrettable that discussion of how developing countries can improve their earnings from commodity exports has not been given more attention at the multilateral level.

IV. Role of multilateral institutions in reaching the Millennium Development Goals

23. In the view of many ministers and representatives, the development goals set out in the Millennium Declaration and the policies contained in the Monterrey Consensus provided the main orientation for multilateral organizations focused on development issues. Each institution, from the perspective of its unique mandate, was called on to make a contribution towards the common goal: the elimination of poverty. Despite the fact that the Millennium Development Goals have become the core business of several international organizations, many speakers expressed concern about insufficient coordination of their activities and lack of clarity in the division of labour, a problem that was often compounded by weak coordination with bilateral donors. At the field level, ownership and efficiency required that the partner country coordinate the bilateral and multilateral donors, not the other way around.

24. With respect to monitoring the Millennium Development Goals, some representatives felt that the division of labour between the United Nations and the Bretton Woods institutions was clear: the former would monitor targets and indicators while the latter would focus on policies and actions. Others noted that, because monitoring and assessment should clearly bring out interrelations, the approach was not satisfactory. It was important to establish the link between policies and actions and changes in indicators and then to assess progress made. Moreover, owing to the wide diversity of situations and the way policies interact in different countries, it is particularly difficult to apply a "one size fits all" approach. Several representatives stressed that monitoring should address the performance of main partners: donor countries and multilateral institutions. Some donor countries, in launching national self-assessment reports on their progress regarding their

international development commitments, had made an important contribution to the monitoring process. In the case of many recipient countries, there were major gaps in crucial information. This required special efforts by the countries themselves, particularly in improving education and health statistics, as well as specific support by development partners to upgrade national statistical systems.

25. A number of representatives pointed out that the monitoring of results was also important because it provided useful information for potential domestic and foreign investors. Moreover, successful experience could be disseminated, achieving a much broader effect. Dialogue on policies at the regional level, through the comparison of policies in similar countries, such as the peer reviews in the New Partnership for Africa's Development, can be useful in improving policy formulation and implementation. One speaker pointed out the drastic reduction in poverty since the early 1980s in East Asia. Countries in East Asia provided important lessons for other developing countries. Priority for development, building the human, institutional and physical infrastructure, and the expansion of productive investment and trade were common elements of the success. Some representatives also pointed to the crucial role that the private sector could play in achieving the Millennium Development Goals. The recent report *Unleashing Entrepreneurship: Making Business Work for the Poor*, issued by the Commission on the Private Sector and Development, under the leadership of Paul Martin, Prime Minister of Canada, and Ernesto Zedillo, former President of Mexico, was a key contribution in that direction.

26. The above-mentioned *Global Monitoring Report 2004: Policies and Actions for Achieving the Millennium Development Goals and Related Outcomes*, reported on progress as well as gaps in achieving the Millennium Development Goals. By and large, developing countries were abiding by the commitments made at Monterrey while the performance of developed countries had been uneven. One major aspect highlighted in the report was the critical need for more and better aid. Many representatives stressed that mutual accountability among donors and recipients was critical and that the volume and effectiveness of aid needed to be increased as a supplement to the mobilization of domestic resources. Aid was particularly important if countries in Sub-Saharan Africa were to achieve the Millennium Development Goals. Given the large gap in resources, several speakers called for innovative measures, such as the establishment of the International Finance Facility or taxes and levies on the utilization of global commons.

27. According to a number of ministers and representatives, coherence in national and international policies as well as in development cooperation was critical. Enhancing development required more equitable trade and simultaneous advances in the supply of foreign financial flows and access to markets. It also required enhanced international governance. In this context, several representatives stressed the importance of more equitable representation of developing countries in international economic decision-making processes, in particular in the Bretton Woods institutions.

28. Several representatives stated that the poverty reduction strategy papers of the World Bank were a useful tool to align the Millennium Development Goals and the various policies and interventions at the national level, in particular when they were aligned with national conditions and priorities. There was a need to further adapt the papers to the specific circumstances of individual countries and to integrate them

into the national budget. Likewise, a stronger link to the achievement of the Millennium Development Goals was also necessary. The poverty reduction strategy papers process worked better when it was fully operated by the individual country and adequate technical assistance was provided for preparation. A coherent result was possible when all stakeholders, including domestic and international partners, contributed to the preparation of a country's poverty reduction strategy paper.

29. While poverty reduction strategy papers are generally for low-income countries participating in the assistance programmes run by the Bretton Woods institutions, many middle-income countries face challenges in formulating national development strategies to attain the Millennium Development Goals. In this regard, members of the Rio Group were exploring ways to increase investments in physical and social infrastructure through innovative modalities of public and private financing to reduce poverty and strengthen democratic governance.

V. Debt sustainability and debt relief

30. Many ministers and representatives stressed that economic growth was the key challenge facing emerging economies and low-income countries. Economic growth was a main determinant of debt-servicing capacity. Debt crises were usually the result of mistakes on all sides. Several representatives acknowledged that many debtor developing countries needed to improve management to avoid debt crises but that an improved international trade and financial environment was also required. It was seen as a crucial issue of coherence of international trade, financial and development policies.

31. Considerable attention was given to the Heavily Indebted Poor Countries (HIPC) initiative. It was noted that significant progress was being made in implementing the initiative, with 13 countries having reached the completion point and 14 having reached the decision point and on the road to the completion point. Eleven more countries were eligible but had not yet reached the decision point.

32. The HIPC initiative is due to expire at the end of 2004 unless the executive boards of IMF and the World Bank decide to extend it. Many speakers expressed their support for allowing those countries that have not reached the decision point to benefit from the initiative. There was also support for topping up HIPC debt relief, as necessary, and increasing the flexibility of the HIPC process, which, in the view of some representatives, could potentially be made available to additional countries.

33. It was important, according to several participants, that the debt sustainability framework take into account the imperative of reaching the Millennium Development Goals. This concern could be addressed by linking poverty reduction strategies or the poverty reduction strategy paper process with national budgets and, through the budgets, with macroeconomic programmes and debt sustainability analyses. The results of such analysis for some of the low-income countries might indicate that debt sustainability requires a large share of concessional financing. When low-income countries reach the edge of debt sustainability and cannot safely absorb new credits, even on highly concessional terms, they should receive the resources they need to achieve the Millennium Development Goals in the form of grants. It was noted that this required an appropriate response from donor countries.

34. The main objective of the new debt sustainability framework was to better design borrowing policies. The framework was not yet finalized and needed to be further developed. Some speakers pointed out that the external debt of both the public and private sectors must be considered. Others argued that it was not acceptable to strive for debt sustainability in countries with very low income levels and high incidence of poverty. It was also suggested that debt sustainability be discussed broadly and decisions reached after consultation with legislature and civil society in the respective countries.

35. A number of speakers welcomed the initiative of the Bretton Woods institutions to develop a new framework for debt sustainability analysis for low-income countries. The focus on the consequences of alternative futures and capacity to respond to shocks were important aspects of the analysis, which must go beyond heavily indebted poor countries to include middle-income countries. There had been some progress in addressing debt sustainability through crisis prevention measures. In this regard, several developments were mentioned: observance of standards and codes; improvements in debt management; accumulation of foreign currency; introduction of more flexible exchange rate regimes; and development of local financial markets. Nevertheless, in the view of one representative, there was a need for a comprehensive financial crises prevention strategy, which should include consistent fiscal, monetary, exchange rate and financial policies, ensure adequate local financing and overcome inefficiencies in information systems.

36. According to some representatives, when debt problems occur, it is important to ensure that there are neutral forums, not dominated by creditors, to implement debt restructuring policies. In many cases, crises cannot simply be solved by providing liquidity; policies to expand growth are also required. In this regard, the critical importance of counter-cyclical policies, and the need to establish the conditions to implement such policies, were stressed. One representative noted that, in some cases, debt crises could be triggered by massive fraud, made possible by taking advantage of lax or inadequate banking or financial system regulations. More effective supervision was critical to avoid such situations.